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**MICHAEL S. ZAK**

*Interviewed by W. Haven North  
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[Note: This interview was not edited prior to Mr. Zak's death.]

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**INTERVIEW**

*Q: Today is November 26, 1996, and the interview is with Michael S. Zak, who retired from AID in what year, Mike?*

ZAK: January 1, 1996 after 30 years in foreign assistance programs.

### **Early years and education**

*Q: Let's start off by talking about where you're from, your background, where you grew up, your early schooling and so on.*

ZAK: Well, I was born in New York City and spent most of my formative years there, certainly most of my school years through undergraduate level. In college, I majored in social sciences with an emphasis on economics and political science, but international and developmental aspects.

*Q: Where did you go to college?*

ZAK: I went to the City College of New York for my undergraduate. I went and got an advanced degree both at the University of Virginia and at New York University.

*Q: Why did you major in those subjects? What led you to them?*

ZAK: I guess I was always interested. New York is a large metropolitan area and it's a melting pot. Friends of the family were in business, which was import-export trade. So from an early age, we were exposed to people from all cultures and to products coming and going from all cultures. The United Nations was in New York. I used to like to go down there and sit in at some of the sessions. Also, I collected stamps, so through collecting stamps in part one had a notion of all these strange places and all these strange sites. I guess I decided when I finished university, that I had a choice either to go into teaching, which I did for a year -- I was a lecturer at University College at New York University -- and decided, well, teaching really wasn't for me.

*Q: What were you lecturing on? What was the subject?*

ZAK: Basically, I had the grunt courses in basic American government and international relations. That was a good deal for me because it's pretty hard for most people to break in in a large metropolitan area. Usually, you have to Podunk State University.

*Q: What were these advanced course in? You went to the University of Virginia?*

ZAK: Right, in government and international relations. The reason I decided not to stick with academia was, at that time, the discipline of political science was undergoing fratricide involving the traditional approach to political science. That was being challenged by several others, a legal approach, a behavioral approach. You basically had to align yourself with factions. To try to survive in that cutthroat environment was not

really what I felt I wanted to do.

So, while I was finishing up everything but my Ph.D. dissertation on one of those, we took exams such as the Foreign Service Exam. I took the Federal Government's - I think they call it the Junior Management Intern Exam.

*Q: In what year was this?*

ZAK: This was '65. The management intern option folks were supposed to let everyone know on the same day. Here I was, a young punk. I don't know how many telegrams we had. Gee, getting a telegram at my house at that time was something completely off the wall. Here I was on a Friday and I had all these job offers. In the foreign affairs area I had offers from DOD, International Security Affairs. I had an offer from the Office of Management and Budget. I had two offers from AID. One was to be a management intern domestically. Then Africa Bureau said, "Hey, we're trying to put together a team of five or six JOTs. Would you come down for an interview?" So, I said basically, "Whoever makes me a good offer first, I will accept." I went down. I was on the State Department list, but they told me they would not be hiring for at least 12 to 15 months off that list.

### **Joined USAID as junior officer trainee (FOT) and assignment to Tanzania - 1965**

When AID offered me a job and basically matched what I was making at New York University, I said, "We have a deal." So, that's how I came aboard with AID. I thought that I would spend a tour in Tanzania and write my PhD dissertation there and then get out. Well, here's history.

*Q: Right. What were you going to write about on your thesis?*

ZAK: Probably African socialism, Nyerere style. Tanzania was an interesting place at that time. Bobby Kennedy had just made a visit earlier that year. This was early '66. Several months prior, Zhou En-lai from China had made a big visit. The thing with Tanzania was the integration or lack thereof between Tanganyika and Zanzibar. You probably recall, because you were probably one of the policymakers at the time, Tanzania was one of the two countries in Africa where we made a dollar commitment of assistance just after independence. One was Nigeria and the other was Tanzania.

*Q: We had a long-range assistance strategy?*

ZAK: \$20 million. Over a period of time. So, I was fortunate that Tanzania was available. There were a few other places available. It's interesting to note that, of the six of us who came in at that point, AID got good mileage out of three of us. We spent our career with AID. It was Jim Norris, who just retired from Moscow. He started off in Tunis as an economist. Gary Mansavage, who went off to Liberia. There were three others who spent one tour or more and then disappeared. So, that was the Africa Bureau class of '65. I was a junior officer trainee, which then was flipped into the IDI program two or three years hence.

*Q: You went out on probation for two years sort of arrangement, and then became a regular employee. What was your position in Tanzania?*

ZAK: Well, at the end of the probationary period, they'd have to find you a regular position. They didn't tell me what my position was going to be, except to help out in the Program Office. We had nine direct hire in the Mission. This excludes both direct hire and contracts and RASA technical staff. What I did not know when I went out there in February '66 was that we were having negotiations with the Tanzanian government to increase our headquarters staff. We said we would be quite willing to expand the program, but we needed relief on that nine person restriction for headquarters. There was never any issue regarding field staff who were working on projects, but there was on headquarters staff. Apparently, Nyerere was calling all the shots. He was quite concerned about the Soviet and Chinese influence, which was growing. He felt there should be some sort of relatively equal strength so that he could be considered neutral, non-aligned at that point. Well, when I was there, the Tanzanians were always counting numbers there. In September of that year, it looked like everyone was back. We were at full strength. Everyone was back from leave, home leave, or post assignment. So, I was number ten. The Tanzanians just around that point had decided that they would not give us any relief on the headquarters ceiling. So, the Agency had to do a fast turnaround and try to find something else for me.

So, the proposal that came up was fortunately not Saigon, but Lagos. So, I went to Lagos.

*Q: How long were you in Tanzania?*

ZAK: From February until the end of October of '66.

*Q: For just six months then.*

ZAK: Yes, a little more. Eight months. But it was a fascinating place.

*Q: Who was the Mission Director then?*

ZAK: Sam Butterfield. John Hummon was the program officer. David Shear was the assistant program officer. So, I worked for John and David. Then, John Garney was the executive officer. Either Ralph White or Ray White, was the controller. We had a training officer. I think his name was Herb Roberts. Gee, I don't know how I can remember all these names. We had a community development advisor, Boyd Faulkner. We had an education person. It was an interesting.

*Q: Did you get a chance to understand what the program was about?*

ZAK: Oh, yes.

*Q: What was the program?*

ZAK: Well, we were trying to work with the Morogoro Agricultural College to help build up a reasonable (I think that was with West Virginia University), a rather extensive program in agricultural research. I visited, as part of an impact evaluation in '84, to see the status of -- I think it was ag research in Tanzania. I was glad to see how people that I had recognized way back when were still there fighting the battle in a very tough environment, how the facilities had expanded, how they managed to stay put and do useful things in a rather negative economic and I would say political environment. So, that was very heartening, that coming back.

I don't know if you're familiar with Dar es Salaam. There was Luther House, right across from the Lutheran church. There was a former expat club called the Dar es Salaam Club, which the Tanzanians had taken over. Shear, Hummon, and I used to go there for lunch. They had good roast beef sandwiches and it was a good place to shoot pool, and a good place to meet Tanzanians. In that earlier period, I always found Tanzanians, as opposed to West Africans, were fairly well reserved and didn't really feel comfortable with Westerners. They had not had any great or extensive contact with them on a professional or social basis prior to that. What was equally rewarding was going back in '84 and seeing how people had matured and how people were very relaxed. They had made peace with themselves and made peace in dealing with foreigners. They felt quite comfortable and there was nothing about a lack of equality.

*Q: Were there other projects that you noted at that time?*

ZAK: We also worked closely with an education project, but I don't recall the details. We also had a project with veterinary research. We worried about regional issues which were coming across borders, tsetse fly, and we were supporting some researcher. I was also put in charge of the self-help program, which was a unique program in that what we developed was a set of standard designs for both health clinics and two- or three-room schoolhouses. We did this and I think you probably knew the engineer. He's still with AID, even though he's a third country national -- Pushkar Brombat. He was recently in Botswana for any number of years. So, we developed these modules. We were able to use the cookie cutter approach to do the same project throughout the country. We worked very closely with Peace Corps in doing that. There was a fairly active Peace Corps program there.

*Q: What was the self-help aspect of it?*

ZAK: Usually they had to provide some of the materials and all of the labor and agree to the maintenance.

*Q: Who staffed these centers?*

ZAK: The government did. They were moving at that time to these allegedly (I use that term advisedly) self-contained ujamaa villages. So, they were in the midst of this big social experiment.

*Q: Did you find that worked reasonably well?*

ZAK: I was there when it was still in its incipient stage. We were getting a lot of complaints about people being uprooted when they didn't really want to be uprooted. One of the interesting things in that country was everyone spoke Swahili and that was the national unifying force. The force of personality of Nyerere made sure that tribalism was not an issue, which later exploded in their neighbors, like Mozambique, Kenya, and Uganda. So, they were very fortunate that they were able to integrate themselves and not go off into this tribalism thing. They, although I don't think they admitted it, were also concerned about having these wild-eyed people on Zanzibar. They felt that having some say about what was going on in island politics allowed them to focus more of their concerns on domestic issues, rather than having these people who were very close with the East Germans. We had some projects which we went over in Zanzibar. That's where I met Tom Pickering. You get the FSI Swahili tapes -- Thomas Pickering was always one of the persons you heard of.

*Q: What was his position then?*

ZAK: He was consul general for around four or five months in Zanzibar. He was leaving.

*Q: Oh, I see. Interesting.*

ZAK: So, he's been everywhere.

*Q: What kind of programs did we have in Zanzibar*

ZAK: Very small. Agriculture, diversification. They had a program having three or four story cookie cutter East German housing blocks in the middle of the tropics. This doesn't really work. We had a self-help program there. It was kind of unique. It's the only country I've ever been in where you had to get a visa to go into the other part of the country. And we had a lot of good people because Tanzania was considered an interesting place at that time.

Being I was single, I was able to travel around a lot. I got to see much of the countryside - a lot with Peace Corps because they chartered planes all the time. I was told, "You're going on it." I wasn't given a choice. So, we flew around to places in the southern highlands, like Mbeya and Kigoma. At that point, you didn't have the railroad down to the south and the roads, well, they petered out after Morogoro. That was it.

*Q: That was a very interesting beginning.*

ZAK: Just as I was leaving there, I was embarrassed in the newspaper. So, that made my career. I was accused of being a CIA spy. Apparently, the Russians were doing disinformation. I didn't know about it, but the embassy called it to my attention. They had gotten it through their sources. They telegraphed the article down and apparently the

Russians were doing this all over to try to plant names of people in newspapers, not where they were serving, but elsewhere. Hopefully, then it would get back to the place where they were serving and create problems for them. But the embassy told me not to worry about it.

*Q: That's interesting. You didn't have any contact with the Soviets at all?*

ZAK: No, I think at that point, they frowned upon that. I did have, though, contact with the Czechs, which came out in a really interesting manner. On my way to post, I stopped off in Prague to visit with some friends. I had gotten permission to do that. To get to Tanzania at that point, you had to fly through either Entebbe or Nairobi, depending upon which day of the week, on Air France. I was coming from Athens. Somewhere along the line, my luggage was lost. It eventually showed up in Dar es Salaam, but it had gone through a nice going over. Things were missing. The representative for Air France in Dar es Salaam was East African Airways. They finally pinpointed that the thing must have happened on the leg from Prague to Cairo, which means Czechoslovak Airlines was responsible. So, I had to write a claim form. I was given permission to take it over to the Czech embassy to get it translated. Two or three months later I got this nice folksy letter, which I still have. "We didn't answer you right away because we thought from your name that you were a Czech national." Apparently, my name with a little 'v' over the 'a' means "scholar" in Czech. I said, "Well, I don't care. Just bring the money. I want the claim resolved." But, no, security was fairly strict. We were not supposed to have contact with anyone from the Eastern Bloc, which suited me fine.

*Q: Any other dimension of your Tanzanian experience? That was quite a lot for six, eight months. You must have gotten a lot of exposure.*

ZAK: Oh, yes. I think it was very interesting. It was a small post, so you got a good view of how an embassy and an AID mission worked. You got some of the critical realities of running into problems with the host government, and some of their political problems that you had to work with.

*Q: Did you have any sense of the AID mission-embassy interaction at all?*

ZAK: Well, I didn't go to any of the meetings. Being it was a small place, there was a lot of socializing. I usually socialized with some of the single folks at the embassy, or shall we say, also some of the people who were married, but behaved as if they were single. One of the nice things about East Africa and West Africa was you got wonderful bands. After a nice, hard day at work, going home and relaxing and then going out to have a beer -- I think it was a good Tusker or Kilimanjaro -- and listening to some live band playing good music was kind of fun. It was one of the few organized ways of meeting other people and socializing. There really wasn't much in the way of social intercourse, other than going out to a restaurant or home entertainment and a Saturday afternoon softball game, which was sponsored by, I think, the American Church there. So, through this, I met a lot of people.

Through people on the staff, I also met a lot of people in the Ismaili and Hindu religious communities. As a single person, some of them adopted me as their son. So, I had to go to festivals like Diwali or Hindi marriage or things like that. Some of the people, I think, are in the U.S. now. There was a guy, Mohammed Kasin -- I don't know if you knew him. He was an economist who worked for us for a while. He was a Tanzanian national of East Indian ethnicity. He wound up marrying some American gal. I saw him during the Reagan-Bush era, working for the PRE Bureau. So, somehow, he had become an American citizen.

I count as my friends David Shear and John Hummon. They were good mentors to me to set me forth and to train me properly, I think.

*Q: Any particular views about the program? There was a very limited opportunity there for that.*

ZAK: I really had a very limited opportunity. I was there to learn in an intern position and to learn the various functions and to do things. I think I learned as much as I could. I liked to travel, so that presented itself. I did a lot of travel. I met a lot of people. I tried to understand where people were coming from.

*Q: What is your impression of the development condition at that time?*

ZAK: I was very skeptical about "anything when you try to organize people" because you're losing the human spirit. But given the abject poverty from which Tanzania was starting - it's probably one of the 20 least-developed countries in the world - at least they were trying an approach. Whether it would work or not was not clear. Clearly, they didn't have much in the way of resources and this was at the time before the Scandinavians took a great interest and started pumping money in indiscriminately. So, I was there when they were still thinking things out. But I was very pleased that you did not have this blight of tribalism, which so much blighted other places. They went on their national feast days to stress that we're one country going together. I think that was the most important thing.

*Q: Where there traditionally strong tribal groups at all or was that-*

ZAK: Well, there were two or three which were pretty large and then there were a lot of smaller ones. But it was the lingua franca which helped them. Pretty much everyone spoke the same language. They didn't have the bad experience with the Arabs like the people in Zanzibar did. When the revolution happened there, if you were Arab you'd have gotten off the island or you were in deep doo-doo. They had not adopted, as far as I could determine, hostile acts towards the East Indian minority, both those who were maintaining their nationality from India and Pakistan, or those who basically grew up in East Africa. So, you didn't have the migrations and the convulsions which occurred like in Uganda against the commercial class at that point. I think that happened later on - '67, '68, '69.

*Q: I see. Well, that's interesting. You may want to add some more later. You left there in*



*October of '66?*

ZAK: Yes.

### **Transfer to USAID/Nigeria - 1966**

*Q: And you were transferred to Nigeria, you said?*

ZAK: That's right. So then I got to see other parts of Africa. I got to see Addis Ababa because the only way to cross Africa was either Pan Am or Ethiopian and I took Ethiopian up. I went to Addis to see what that looked like. That always had a certain amount of fascination. I also went up to Khartoum to visit with some friends. I also wanted to see the Nile up there. So, I spent like a week or so getting between the points.

Nigeria was obviously a very big change. That was worse than AID Washington. It was an empire unto itself. I believe it was probably our largest post in Africa, with not only a mission in Lagos, but sub-regional offices in Ibadan, Kaduna, and I believe in Enugu, with lots of project personnel. As opposed to unitary government in Tanzania, this was a federal government. So, in trying to get things done, you needed at least six authorities to look at it. What was the provincial level, then state level was replicated at the federal level. So, you always had a Federal ministry or a state Ministry of Economic Development, state Ministry of Finance, and then the Technical Ministry, which would be replicated at least at the federal level. So, to get anything through was a pain, to put it politely.

*Q: Because you had to get all the governments in agreement, so to speak.*

ZAK: Well, I arrived at the time when Humpty Dumpty was falling apart. So, the Mission was torn as to what we should be doing in the eastern region. There were a number of people who said we should stay there, that those are the only good people. Then you had technicians who didn't want to leave.

*Q: You had the coup in January of '66, before you got there.*

ZAK: Right. So, it was still a military government, but it was a very unstable situation. Things deteriorated.

*Q: What was your position?*

ZAK: I was the same thing. I was a program JOT until I left there in mid 1968. They didn't want to keep you there any longer. I didn't want to stay in Nigeria. I just felt too much civil war.

*Q: What was your particular area of responsibility? What kind of task were you given?*

ZAK: I had to do the other donor assistance reports. I followed agriculture and industrial

development in the northeast and west. Plus, I coordinated regional projects. Somewhere in that timeframe, we had started our massive regional smallpox eradication/measles control program. The overall office for managing the project throughout Africa was in Lagos, as well as the Nigeria national program. So, I was given the responsibility for coordinating with them. I was also stuck with the title of, pardon the expression, population officer. So, I basically got what most people didn't want. But you make the best of it and I think I did. I had a good time in doing what-

*Q: What were your views about some of those programs?*

ZAK: Well, I enjoyed working with the smallpox/measles program because we were all equals. They were basically domestic U.S. types who were trying to do good. For example, I belonged to the Island Club, on Lagos Island, right around the corner from where the Prime Minister's house was. For me, that was a place to go on a Friday night to have a few beers. Basically, it was mostly Nigerians, not too many ex-pats. You had Nigerians from all social and economic strata there. They didn't really have any club facilities like the Ikoyi Club, but for me it was a good entree.

I think I was the only member of the U.S. Mission who was a member. That came in handy. As you'll recall, a wonderful agency will tell you, "On March 24, you got \$2 million to obligate by March 30." We had something akin to that. I wouldn't say it was exactly six days. It was pretty close to that. We got money for the Nigeria program, which "had to be obligated, bar none, come hell or high water." The person who we had to deal with in the Federal Ministry of Economic Development, who would sign off on things, was either the permanent secretary or the principal secretary, or the political one. I think it was the perm sec, who had the reputation for being anti-European and deliberately sitting on things for 10 days. Sitting on things for 10 days without doing anything, just to show his power and authority. Mike Adler was the Mission Director. Mike said, "You want to give it a try?" I said, "I'll give it a try." So, I saw him at the club and said, "Look, I've got this important thing which really has to get through," blah, blah, blah, the whole nine yards. He said to come by and see him. It just blew my mind that he signed it on the spot, which showed- Not to take any credit for myself, but the importance of knowing people that you- If they know you when you walk in, you're going to get a different responsibility than if you come in as a bureaucrat. This later came up in Ghana, too, where I could walk into peoples' offices and see people and my bosses could never get to see them unless they set up something far in advance. They didn't know the trick of how you relate to some of these-

*Q: What was this money for?*

ZAK: It was for funding, essentially, I think, commodities for the Nigeria program -- health commodities: smallpox, the jets, the vaccine. It was for the smallpox program. It was kind of exhilarating -- I was probably how old, 26 at the time -- to have to tackle bureaucracy. It worked. It might not have worked, too, but I think because the person knew me and I had respect for him. I think he didn't play his usual game.

*Q: Did you find that program a good program to work with and effective?*

ZAK: Well, I felt that I was strike two after having been forced to leave Tanzania through no fault of my own and that we couldn't expand our program there. Here, we were going to contract the program because of the civil war. So, we had to go through a whole thing to look at what the implications were of our program. So, we had to close down -- we didn't have too many loan projects. I think the program was basically grant. I think we had Ibadan water supply. We also had the Calabar-Ikom Road, which was a loan. I had to do a lot of work on that with the Projects Office, which was headed by Bill Wheeler and Steve Kleine, to try to shut down those and get our contractors out safely in a methodical way. When we had the big drawdown, from both midwestern Nigeria and eastern Nigeria, being that one of my hobbies was amateur radio, I was sent with a great white fleet of our cars. They were all white Nash Ramblers; the model had on the side "rebel". The model was terrifying to Nigerians. I said to our GSO, "Don't send me to any part outside of Lagos. The Nigerians are busy railing against Ojukwu and his rebel clique." Anyway, I headed up the radio part of the operation into Benin. So, we ran a massive evacuation thing out of one of the person's house there, sending cars over to Onitsha on the banks of the Niger, people coming across, bringing them up, I think, it was like 80 miles, from Onitsha up to Benin City, keeping them overnight and then shipping them on to Lagos. That was a very, very interesting experience.

*Q: Did you have any particular views about the civil war and whether the country should be kept together or separate or whatever?*

ZAK: I guess I would have come out on the side of the federal government, but not forced federalism. It was clear to me that the people who were busy squawking about the federal government, basically Ojukwu and the Ibos, were not quite honest. They couldn't pull it off without taking the oil lands. Basically, the oil lands people -- I forget the name of the ethnic group. It's near Port Harcourt. It's a different group that basically did not want to go with the Ibos when the Ibos wanted to secede. The Ibos said, "No, you're coming with us." I felt that was a little hypocritical. I also did not enjoy some of the more blatant foreign intervention. The Vatican was one of them, which basically said- I guess it took the decision that we have to preserve our political interests. Basically, the Catholic Ibos are worthy of preserving or saving. They sent in several planes and the Nigerians went bonkers over it. I don't think any of them were shot down. I basically felt that there were problems, but basically, it would be better if they could stick it out together. What was the name of those people? Ijaws. They were non-Ibos and they didn't want to secede with the Ibos and the Ibos wanted to secede with them. I had no great love for the federal Nigerian government because you can't tell how corrupt they were at any one time, but clearly they've always had a tradition of corruption.

*Q: Were you directly involved in the relief operation, apart from the evacuation from the east?*

ZAK: No. I left when the civil war was still raging. I think Kennedy had come out and made his statements in favor of the Ibos. When I came back here, I wrote a few letters-

*Q: Kennedy did?*

ZAK: Yes, the current Senator (Ted). I said, boy, was he misguided. What was clear to me was that the federal government was totally incompetent in terms of press relations and in terms of public relations. The Ibos, who had basically staffed the Foreign Ministry, the organs of public affairs and press and communication, they had the upper hand because they had done that for the federal government. When they seceded, they knew how to play the Western mind for whatever political ends they wanted, whereas the Nigerians came across clumsy.

*Q: Anything about the program? Was there anything that was pulling ahead and making progress?*

ZAK: Yes, in the western part. It was just outside Ibadan in terms of setting up a rather excellent research program. They worked closely with another thing we supported, which was the International Institute of Tropical Agriculture. They were co-located right outside Ibadan. I was very glad to see that that sort of thing, agricultural research, was going on. We were able to continue such experiments as the comprehensive secondary school in Aiyetoro, which was a unique thing.

*Q: How was that working?*

ZAK: That was working fine. It was outside of the zone of conflict. The people tended to be serious. I mean, Nigeria was just so big. If you got up to Ibadan- I mean, you had a lot of soldiers in Lagos, but in Ibadan life went on pretty much as it had gone on traditionally. We had the health projects, which were able to go ahead and, I think, have some rather good impact on people's health.

*Q: But you found that the comprehensive high school model, which was very much a U.S. phenomenon, was effective, was being accepted?*

ZAK: It was, but I don't know what happened because I left three years into probably a five or six year project.

*Q: This was with what, Harvard, I think?*

ZAK: Harvard. Then we also had something in radio education with, I think, Hagerstown.

*Q: Radio/T.V.*

ZAK: Radio/T.V. One of the things I enjoyed working with was in population. Hopkins had a program, which I think Ford was funding, at the University of Lagos. So, I made a lot of good contacts in health and the School of Public Health there.

*Q: Was that about family planning and population programs?*

ZAK: They had a family planning council, but it really was just-

*Q: Was it accepted?*

ZAK: It had just started. These were all things which had just gotten started a year or two. The Americans from Johns Hopkins (I think it was Hopkins), that was heading the team at Lagos University Teaching Hospital, was very effective in terms of trying to galvanize action as well as trying to get some of the doctors-

*Q: This was in Nigeria?*

ZAK: Yes. So, that was looking up. The person on our side was George Lippcott?

*Q: Yes, I knew George.*

ZAK: He was head of the international program. He was a dynamo. So, we had a lot of strong people who were able to do the initial spade work, to do the promotion. I gather things worked out later on because we're still doing it. I don't know -- until recently, we were doing health and population projects there.

*Q: But you found the climate generally accepting of this new program area?*

ZAK: Yes, but it was on a limited basis. I mean, you didn't have a nationwide program. I think, at that point, we were pushing the idea that we'll solve the world's problems if we get every head of state to adopt a policy statement supporting certain objectives. Of course, some did, some didn't. In some places where they adopted the program, the policy, they did nothing about having a program. They pointed to having a program, our policy, but they did no program.

*Q: Did they have policy in Nigeria?*

ZAK: I think they were working their way through. The Family Planning Council was pretty much opposite where the Island Club was, in a small house. They started off small, maybe seven or eight people. But a lawyer headed it up and they had several nurses. These were all committed professional people. I've lost contact with them, so I don't really know.

*Q: What other programs were you associated with?*

ZAK: I had contact with everyone in terms of other donors because I had to do all that work. That meant talking to the Soviets and the Chinese. One of the darling projects of the Nigerians was to have an iron and steel mill, which of course we thought was a white elephant. We didn't want to touch that with a ten foot pole. But that always cropped up in the press.

I had very good contacts in the embassy, so I was able to go around with people like Tom Smith to look at the cocoa industry, look at the oil palm industry, look at the oil/petroleum industry. I was given the opportunity of meeting people in those areas, both through official and unofficial contacts, to go around and do this.

The social life there was much better than Tanzania because you had a large international community. Basically, I never fall into the strictly American community, but there was an international club, which used to get together people from embassies and foreigners and Nigerians who were living there. So, I was able to meet a lot of people socially. Of course, again, I like the good old West African music. We knew where all the good nightclubs were on a late Saturday night to go out and have a beer or two and listen to some good music and also on Sunday afternoon.

*Q: Was there anything in this discussion with the other donors? Was there any impression you got about their aid style or role at all?*

ZAK: You didn't have the European Community at that time. The EEC, at that point, was just getting started. So, they didn't really have anything. It was mostly bilateral, with a modicum of UN. They were basically flopping around in public administration, trying to do some urban planning for that impossible city known as Lagos, nothing that was a major commitment like ours. The closest that you had in terms of a financial commitment was the British, but most of that was for export credits and for the teaching of English, and export credit guarantees. So, we were basically the largest donor. The French were pro-Biafran. So, clearly they didn't have any close relationship with the Nigerians. I don't know the volume. You probably had a smattering of countries which offered scholarships and small things like that and got their name in the newspaper disproportionate to the amount of effort that they expended.

*Q: But you did an annual report of other donors?*

ZAK: I think it was a CERP (Current Economic Reporting Program) report, which met both AID and State requirements. It was fun doing.

*Q: You mentioned that you had some of the responsibility for the regions of the country, was that right?*

ZAK: No, I followed industry. We had an ag education division and an industry division. Education also, I think, included public administration. So, I followed things most closely in the west and the midwest, phasing out in the east, not so much in the north in agriculture, industry, and education. In education, I didn't work closely with specific projects, but worked with the training portfolio. I think the training officer was at first in the education division, and then they moved him over to the independent office, the training office.

*Q: But what was your understanding of the agriculture program, for example? Was it*

*effective?*

ZAK: Oh, it was pretty basic. It was mostly building up research capabilities and ag institutions of higher education, like the faculty of agriculture at Ahmadu Bello University. A lot of institution building, a lot of ag research and extension. There was a lot of experimentation going on.

*Q: Did you find those were effective?*

ZAK: I think they're reasonable, for the extent that I saw them. I think those were the years when we had long-term projects. So, one was not at the end of the project where one would see everything coming to closure. But one could go there and actually see things were happening. One could not make a statement as to how the projects would be supported once our assistance terminated. But our technicians seemed to be well-received. The counterpart support and facilities seemed to be there from the part of the Nigerians. They seemed to be serious about what they were doing. There seemed to be a good interaction. They seemed to be moving along.

At the university institution building level, a lot of the people had come to work at the institution early on. Once they were there for a year or two, they were sent off to the U.S. to get advanced degrees. At that point, we were very heavy in terms of our technical assistance until these people who were sent off to get advanced degrees in the States came back. I was there during that period. So, it's hard to give a definitive answer.

*Q: What was the industry program? What were you trying to do?*

ZAK: We had small-industry development centers. We had one in the north and in Owerri. It was a mishmash of appropriate technology, small business entrepreneurial skills, things of that nature, and training people how to you do this, basic accounting, how you set up a business.

*Q: Was it working?*

ZAK: No.

*Q: Why?*

ZAK: Because I thought the guy who was the head of the division was a blowhard. He was with UNIDO (United Nations Industrial Development Organization), went back to UNIDO. It was very funny. He was the person who was the head of the division. He used to always have to speak unnecessarily long at a staff meeting. Usually, people who had the least to contribute took the most time. I won't mention his last name, but he's known as "Eddie." His really name is Egon. He was from Austria. At any rate, at one meeting it was just terrible. I felt like digging a hole in the floor. Eddie had said, "Our poor technicians in Owerri would appreciate if any of you would like to donate magazines because they really need magazines." Mike Adler turned around and said, "Aren't they

paid well enough to subscribe to the magazines if they want?" But that was just typical of Eddie. He never learned how to be quiet.

*Q: What about the projects themselves? Did you get a sense that they were not doing well? What were the issues?*

ZAK: I don't know how they got started. I think it was more on the Nigerian side. They were pestering us to do something in that area. I'm not sure it really worked. But, to be fair, we shut the thing down because of the civil war, the one in Owerri. The one in the north really was not moving. So, I think, we eventually closed that. There we had worked something together with the ag folks in trying to help them develop grades and standards for an internal meat market. So, there was a model butcher shop, which was training people how to do this, that, and the other thing. This served a good case to have people come down in a Fokker Friendship airplane to bring a side of beef for poor AID technicians in Lagos.

*Q: Were there other dimensions to the industry program at that time?*

ZAK: No. I think training, but nothing- If there were, I don't remember. I wasn't involved.

*Q: Right, okay. Were there other program areas that you-*

ZAK: The agricultural one we talked about. Working on the population program, I had the opportunity to go to the first population conference, which was held at the Ducor International (Hotel) in Liberia.

*Q: This was the first population conference in Africa? What was that about?*

ZAK: AID had called us to write a paper on the population conditions in the country, what the government was doing or not doing about it, and what initiatives were under way or likely.

*Q: Do you remember what the conference people were trying to promote?*

ZAK: They were just trying to get some baseline data and then charge people up to try to promote moving together for sound population policies. I don't know that it was really well defined. But my memory may be interfering. I also traveled a lot with the smallpox/measles program, regionally, to see how they were doing in several countries. That was at their request. So, that worked out because I turned out to be the prime liaison between them at both the regional and Nigeria program level. I found that very rewarding because it was delivering things and it got us a lot of good publicity.

*Q: That was working pretty well. Were there any issues that you had to address?*

ZAK: Well, you had to get those stupid jet guns to work.



*Q: Jet injectors, yes.*

ZAK: Of course, we had our share of going out to villages, both in Nigeria and Ghana, to get the village chief or the big chief, who agreed to get his arm jabbed, as a prelude to getting the rest of the villagers. That was exciting because it showed that people, if they're presented with things in an appropriate manner, usually will be reasonable. That was a very easy way of getting out the good word for good health practices and setting the stage. I thought it was a very good program.

*Q: Anything else about the relationship with Nigerians, working with them at all? You did make a couple comments.*

ZAK: Well, they were unlike the Tanzanians, who were very reticent and shy. The Nigerians were very, to put it politely, adventuresome and assertive. Some of them could be pretty difficult to work with. You just had to take them as individuals and treat them as individuals and try to survive. Usually, it worked out well at the end.

*Q: Did you find differences in terms of different parts of the country?*

ZAK: Yes, the Ibos tended to be -- I hate to stereotype people -- I found the northerners the easiest to work with. The Ibos, if they gave their word, they'd stick by it, and the Yorubas to be treacherous; you couldn't trust them. Their word was as good as you heard it for five minutes and then you had to negotiate everything over again. These are obviously slight exaggerations. So, you had to know your clientele in dealing with them, to get to push ahead with what was the U.S. interest and you were negotiating them or trying to get them to agree with that point. But I got along with them all and I had fun with them all. I still have good friends with them over there.

*Q: What was your impression there about what AID generally was promoting as a development policy or strategy? Did you have any impression or was there anything?*

ZAK: Well, we had a political commitment. The political commitment always used to get us in trouble because you had the bean counters. The bean counters on their side were not the same as the bean counters on our side.

*Q: Will you explain that a little bit? I'm not sure that's clear.*

ZAK: Okay. We made, I think, 150 million pounds?

*Q: 225 million.*

ZAK: We were always trying to count what we'd call now "OE funds" as part of that and the Nigerians said, "No, no, that's not technical assistance. That's your headquarters support." But all of that became muted as the civil war went on because, clearly, there was no way that we were going to meet our financial commitment. So, the level of

commitment became, I think, breezed away.

*Q: What was your understanding of why this commitment was made in the first place?*

ZAK: Well, I think, given the size of Nigeria, and the African continent, that it was a relatively large country, relatively pivotal country in terms of location and importance. We wanted to see the thing work if at all possible, realizing that it wouldn't be exactly easy. That was my understanding. I think it was a sane approach. We're not to be criticized for Humpty Dumpty falling apart.

*Q: Right. Did you get any sense of what the Agency's view about development strategies should be or anything, or what strategies were there? That maybe comes later.*

ZAK: The program documents that I saw, or I was dealing with, were basically saying where we are and what we're doing and how we're relating or rethinking what we're doing in light of the war in terms of retrenching and in terms of tailoring things to that environment. So, whatever may have started off, I never saw. But it looked like the sorts of projects which we were doing in other countries as well: education, agriculture. But the unique thing with Nigeria was you had some loans for capital projects which you did not have necessarily in all the other countries. Also, I didn't get the feeling we were starved for resources because a lot of the projects were multi-million dollar projects in terms of expenditures each year. So, these were pretty big. I think we had over 350 people in Nigeria when I was there, which was a pretty big program. It was nice to go out to the regions and see the fiefdoms out there, whether in Ibadan or Kaduna. I really didn't get over to Enugu.

*Q: But essentially, the basic policy was having to adapt the program to civil war circumstances and what to keep going and that kind of thing.*

ZAK: Basically, when I was there, we did not get involved in any massive way in any rehabilitation. That started June, July '68 like a month or two after I'd left. That was a different set of people who they brought in to address those issues.

When I left Nigeria, we had a wonderful personnel officer, who said, "I got the ideal assignment for you, young man." I said, "What's that?" He said, "They're looking for good people to go to Vietnam. I thanked her very graciously and took my own advice and said, "No thanks." I left Nigeria and went back to Washington.

*Q: Why did you turn down Vietnam?*

### **Returned to USAID/Washington to the Latin America Bureau - 1968**

ZAK: I didn't think we should be there. It was plain and simple and I didn't want anything to do with it. Besides which, I'd just come out of one civil war. I didn't want to go to another civil war, which was just after the Tet offensive, more violent. So, I came to Washington and wound up in the Latin America Bureau. The world of Argentina,

Paraguay, and Uruguay.

*Q: You were a desk officer?*

ZAK: There were two people on the desk. I was the junior person. That was in the days of the Alliance for Progress.

*Q: What year was this?*

ZAK: '68 to late '69. The country director for the whole sub-area was a State Department officer in this case. In other cases, it was an AID officer. In Central America, it was an AID officer. I think Dave Lazar was the country director for all the Central American republics. The deputy in this case was Bill Lowenthal, who was an AID officer. On the desk side, we sat basically in the same suite. So, we were all collocated. If we had problems, we could work things out together.

*Q: How did you find this, what they called "back to back" or "integrated approach?"*

ZAK: Well, I had easygoing people, so it didn't bother me. It didn't work out in all cases. It depended upon the personality of those involved.

*Q: Did you have different views about the policy toward the countries you were working with?*

ZAK: No, but at least in one case we had a stronger view on the desk than the AID office -- in Uruguay was trying to promote a \$15 million loan. I forget what we called the loan - - sector support or something like that. At the same point, the IDB (International Development Bank) had signed a similar loan a year before. It smelled, looked, tasted, read like exactly ours and they didn't want to draw down the IDB loan. We could never get permission to come clear as to why we had to come in with a similar chunk of money to do something which they already had \$15 million to do. So, I had to go down to Montevideo and be the bad boy and said, "We're not going to support you because we really don't understand why they're not drawing on the IDB loan."

*Q: You were telling the mission?*

ZAK: Yes, the mission. It was clear that there was something going on that we in Washington did not understand. When I went down there, we could not get anyone to come clear. Art Leson got very annoyed with me because I said, "You know, we can't support it because we don't understand. We contribute funds to the IDB. They're getting this at a soft rate. Why are they not drawing this down? Is it not in our interest to assure that the IDB, being that we helped approve the loan, to use those resources? Why are you guys now asking for \$15 million from the U.S.?" Well, we never gave them the \$15 million.

*Q: What were your thoughts of why this was not the case?*

ZAK: I don't know. We couldn't figure it out. It was a mixed mission. The minute I got down there, I was, I think, the only TDYer who wasn't the office director there. I had different contacts. When I got there, I was taken aside by everyone. They wanted to talk to me -- how the place was managed or not being managed from their perception. It was a time when, in Uruguay, there was this urban terrorism known as the "Tupamaros." So, we had a fairly big public safety program there.

The Uruguayans had done very well during World War II, when sheep and wool prices were high. The market collapsed just after the war. It was resuscitated during Korea for a few years. Then there was no international wool agreement. We were stockpiling stuff and then dumped the stuff. So, they were in bad straits. They were in an economy which was tail spinning down, not going anywhere in any developmental sense. Traditionally, a democratic people. The leadership, the presidency, usually oscillated between two parties. The average leadership age in either of those parties -- the president was -- you had to be over 80. So, you didn't have really dynamic leadership. You had rather severe brain drain. First to Argentina -- when Argentina turned sour, they started to try to come up to the U.S. Brazil was in hyperinflation and those would be the normal outlets. So, we had a modest sized program to try to help stabilize-

*Q: Why were we in Uruguay at all?*

ZAK: First of all, the Alliance for Progress was signed in Punta del Este, which was in Uruguay. They were considered, as opposed to some of their neighbors, a "messed up but yet democratic people." They had a tradition of democracy which went back, a tradition of taking care of their people, of social welfare, which was totally unsustainable by the economic realities they then faced. At that point, you had Peron and company still and his later imitators in Argentina. Brazil was under a military regime.

*Q: We're talking about Uruguay now.*

ZAK: Yes, but Uruguay was a model of how you might want to move because it was a democracy. They were surrounded by these albatrosses which were non-democratic and going the opposite way and rather repressive. So, we thought we would try to stabilize things in that area. Plus, as part of the Alliance, we felt that we had to do things in each country. Now, we didn't do too much in Uruguay because the relative per capita income was high. In Argentina, we didn't do very much-

*Q: What were we trying to do in Uruguay, what kind of program?*

ZAK: Well, you had public safety because of the urban terrorism.

*Q: Was that supportive? Was that a good idea?*

ZAK: One of our guys got killed. The government had asked us to try to help stabilize things. But the urban guerrilla tactics were a direct result of a failing economy and all the

social strife that that brought. We had a program in ag research, a modest level of program. I think we were doing some Ex-Im credits to the local airline. I can't really recall what else. We got them balance of payments support through the IDB and, I think, maybe one or two PL480 title loans for - I forget the products, but it was maybe in the \$10 to \$15 million range, to help them financially. But it was not really a major area of interest. It was an interesting country.

*Q: Did you find the public safety program a good idea or effective?*

ZAK: Police have never been my bag, so I kept away from them. I met them socially. But I don't think the kinds of things they were doing, I think, they'd rather just keep it to themselves. I didn't feel like pressing. My mandate from the country director and deputy director was to basically see why they're playing around with us, do not want to touch this IDB loan. They had picked up stories of morale problems, where people didn't think the mission was being managed well. They said, "You really need to see Argentina." So, I was ordered to go over there. That was no great problem because it's a beautiful country. But there, we had a modest program, more in the shelter area. There would be a lot of demonstrations and a lot of sites and services and housing guarantee programs. They may have had some training and things like that earlier, but that was basically it - \$30 to \$40 million.

*Q: Why were we continuing in Argentina? It was fairly developed, wasn't it?*

ZAK: A third of the population sits in Buenos Aires. We thought we had something to do in terms of urbanization and planning, particularly for those at the lower end of the economic scale. In Paraguay, Stroessner was around. That was the third country. It was sort of a backwater, sleepy place. Again, you worried about diseases, so we had a health program to make sure that disease factors didn't come from there to other parts. It started off during World War II. This was the forerunner to anything that AID was doing. That was Cooperation in the Americas. They had these jointly managed servicios. So, Paraguay still had, even though we were in the late 60's, still had these old servicios. There, they still hadn't quite made the transition. In health, in agricultural research-

*Q: How did you find those working?*

ZAK: They were on their way out. The largest of the programs in terms of technical personnel was probably the Paraguay program. There, you didn't have a problem with indigenous folk in Uruguay and you didn't have a problem with indigenous folk in Argentina. Basically, they got rid of them all. The black population, you'd go by in Buenos Aires and they lived in shanty towns which were completely surrounded. The Argentines would never admit they existed. The indigenous population in Paraguay was probably the predominant part of the population, the Guarani Indians. So, it was interesting because everyone at home spoke Guarani. The official language of government and instruction was Spanish. But you didn't have the hostilities or the tension in the social structure that you have in places like Peru, Guatemala, or Bolivia. They were all poor. We were concerned about Bolivian expansion. We were also concerned in

Paraguay as a place for our markets. At the eastern end, at the border with Brazil, there's one of the wonders of the world, the Cataratas do Iguacu. The Brazilians call it Falsi Iguazu, the Iguazu Falls, which is equally spectacular as Niagara Falls. There were always plans to develop it for hydropower. Eventually, that's what happened. So, we worked a lot of our support through the Inter-American Development Bank. I think the World Bank got involved, too, but we didn't put any direct money in it. So, we started to have some environmental interest. But that was when I was here working on the desk and started later. I was only on the desk for like a year and a half.

*Q: This shelter program in Argentina, did it deal with the black population or poor people?*

ZAK: Poor people. The Argentines denied that blacks existed there.

*Q: So, it was not serving their needs?*

ZAK: No, it was serving other poor folks. It was sites and services as well as how to guarantee so you could buy low cost housing.

*Q: Right. Do you think that worked?*

ZAK: It looked fine when I was there. Everything looks fine when I'm there. The minute you go, I'm not responsible!

*Q: Right. So, you were just a fairly short time in this role.*

ZAK: Right. And I was in Washington, which was interesting because I got to see how things were working out in this joint State-AID bureau. I got to see how we were working in an area of the world where perhaps we had a higher political interest and a longer period of working than Africa. I met some very fine people. Basically, I was there to learn and listen. I think I did a lot of that.

*Q: How did you find the bureau was managed in its style compared to other bureaus? Was there something distinctive about it?*

ZAK: Well, the Africa bureau, I never worked in Washington, except for a six month orientation period and I was not really involved in that. At that point, I could not make a comparison. I thought there was reasonably good integration in the Latin America Bureau. As I suggested earlier, it depended upon the goodwill of the people involved. Some people wanted it to work. Some people didn't care. Some people didn't want it to work. But the office I was in, the people, I think, were by and large reasonable, respectful of each other. We worked side by side and got things done.

*Q: Some people think that the DR office that handled the projects was fairly dominant and the rest of the bureau was sort of pushed aside in the management of the programs in the area. Was that your observation?*

ZAK: I think later on that became so. When I was there, you had some pretty strong country directors, either on the State or AID side. They were going to call the shots. I would think, in a case like that, the DR office had less of a role.

*Q: Well, let's move on, unless there's something else. Where did you go from there?*

### **Assignment to USAID/Dominican Republic as program officer - 1970**

ZAK: From there, I went to the Dominican Republic. The first days of January of 1970. I stayed there for two and a half years.

*Q: I see. Well, tell us a little bit about the situation in the Dominican Republic -- what your role was and what you thought about the program.*

ZAK: I came in as the deputy program officer and came out as the program officer. I found the Dominican Republic totally fascinating. If you'll recall, starting off in 1930, for around 31 years they were under the thumb of the rather tough dictatorship of Trujillo. That lasted until 1961 when he was assassinated while driving in his car out of Santo Domingo. They then went through a series of unstable governments. They had no democratic tradition in their past. We had a history much like with Haiti, of intervening there to try to at least get basic public order and then we would take off.

Then, in 1965, you had the famous explosion. It looked like people who sounded like they were spouting the Castro line had basically fomented a revolution there. Things got out of hand. The President was concerned about not having another Cuba on our doorsteps. So, we intervened with the Marines. Intervening in a country which had basically pretty light institutions and institutional development meant that we were stuck, both directly and through the facade of the OAS with running the country. I think we had all 10 AID instrumentalities there. You had grant projects, you had PL480, Title I, Title II. There was no Title III at the time. You had supporting assistance. You had contingency funds. You had a massive local currency program, which was generated from either the commercial imports or the food imports. When I got there, the portfolio must have been 150 projects on local currency side into about every sort of activity, whether it was women's sewing circles, whether it was putting in a sewer in a main street in town, whether it was providing money for feeder roads, whether it was for community development. This was what I helped push -- to try to get these people to get a sense of their nationhood. So, we funded a small amount of money. We got, I believe it was Exxon, to pump in some money, too, because they were the largest gas retailer, to help set up an artisan staff, an office of cultural patrimony, which would work at restoring the old town, which had fallen into disrepair. The old, first cathedral in the Americas is one of the places where Columbus is buried. You can fight with Havana, Cuba and Seville, Spain, but they're all Catholic churches and they all claim, with God on their side, that Columbus is buried there.

So, we set up this little project, which basically tried to bring order out of chaos in terms

of giving them a basis, eventually, of tourism, giving them a skilled staff that can restore old colonial structures. This is just an example, among the others I've cited.

*Q: What was the scale of the program? What size are we talking about?*

ZAK: Well, we pumped in like \$400,000 equivalent a year into the cultural patrimony. But the other would vary. When I got there, overall, we had projects totaling like \$125 to \$150 million. Most of our technical staff was trying to work with the government to implement it. We figured, if we give them money to do those sorts of things, they'll do good deeds instead of doing not so good deeds like shooting each other up. So, we had a long history in that place.

Right after the revolution of 1965, we ran the place. By the time I'd gotten there, a year before they brought in a new management team. The new management team was supposed to relate to our new priorities. Our priority for the federal government and the State Department was to normalize the relationship. We didn't want to basically be running, as a foreign government, running everything in the country that worked. The USAID team had all worked with one another in Vietnam. So, it was John Bennett, who was deputy directory, who was a State officer; Dick Condas, who was the controller; and John P. Robinson, who was the mission director in Vietnam. Basically, they were going around, chop, chop, chop, trying to rationalize things and force things with the Dominicans.

*Q: What were they trying to do?*

ZAK: Trying to chop programs and projects to reduce our presence to a more normal relationship. We didn't say "normal," but normalize relationships.

Shortly after the revolution in 1965, things were very polarized. You didn't have people talking to one another. The left would say, "We want to develop the country." The moderates would say, "We want to develop the country." The right would say, "We want to develop the country." But there was no fora where they could sit down; because of the way the revolution came about, people were just antagonistic towards one another. So, the government established a formal mechanism called the National Development Commission (I'm translating from Spanish), which was chaired by the president each week. When it started in 1965, the ambassador used to attend those sessions. After around a year and a half of that, the ambassador decided he had better things to do because it was the same president throughout the period. It was his cabinet meeting, patronage meeting, and everything else -- chewing out his ministers for being ineffectual. Of course, he made them ineffectual by not giving them any authority. A year and a half later or so, the ambassador said, "You're mission director, you go there. We need to stop." So, the mission director then went there. After a year and a half of that, he got bored. Then, when I came on the scene, I was told, "Now, it's the program officer's turn."

*Q: What level was this commission on?*



ZAK: This was the president.

*Q: And the ministers.*

ZAK: Right. The president, the ministers, all the hangers-on from his political party, people wishing things, private sector. This was held in the governmental headquarters, the presidential palace.

*Q: Were we there just as observers?*

ZAK: Well, technically, we were there as observers. But the president would always call on you because he'd go around the room. So, you had to say something. So, we decided that if we had an issue that we didn't want to deal in a public sense or make an announcement because there would be press coverage, I would do it there. It was kind of exhilarating for me because here, even though you may not like this president, he's still the president of the country and you were representing your government there.

*Q: What kind of issues would you raise?*

ZAK: Well, we would announce the success of some of our programs or about to launch a program, or a thing was approved for PL480, so he would get an announcement. Of course, we knew the ambassador had already sent him a letter, but it was to keep our profile a little high.

*Q: But you didn't raise issues to be addressed?*

ZAK: No. If the president would go after a minister and berate him for not having done a thing: "I went out to his project and there was supposed to be a feeder road there and it hasn't been built, what's going on?" The president might ask me a question. I would just keep it factual: "Well, we released the funds for it, so..." But it wouldn't be a place where you wanted to go into contention, an argument with anyone. But the president had no modesty about chewing out his ministers in public. That was sort of the game. Also, their longevity was not that great in most cases. They spun around into one portfolio and out of another portfolio.

*Q: Were we trying to promote any particular policy directions?*

ZAK: Yes, we were, but we didn't use it through that forum. The other forum which we did, and this relates to my earlier thought that you had no forum where people from various parts of the political spectrum could meet. They were talking to us bilaterally, but they wouldn't talk to one another. So, we developed this notion. It's probably the riskiest project that AID ever did, in my knowledge. We got the Arthur D. Little company people to come down to talk about how we might want to structure something to try to get these people together in some sort of environment where they could talk. After all, it was their country.

So, we eventually did a project. I don't know how Washington ever approved it. It would never get through today. Literally, it was touchy-touchy, feely-feely. We used to have lunches, invite everyone together. First, we did it. Then, after around two years, they took it over. It actually worked. It got people who weren't talking to one another, realizing that you may have a different political view, but you're all interested in development of the country.

*Q: But you hired Arthur D. Little to do this?*

ZAK: Well, they used Latins as the facilitators, not Americans. They had some good Latins on their staff. This was a very interesting project. I don't think it's been well-documented. It was kind of risky because it could blow up in your face. You were doing, in essence -- what do you call it, social engineering? But it worked because it got people together. Some of the things which came out from this continue to this very day, in terms of people that are active in the process, institutions which are functioning and doing things in terms of development areas.

*Q: Can you give us any examples?*

ZAK: Yes, there is the Committee for Development, which started off a small artisans program, helped people develop pushcarts, taught people skills. There were various parts. There was part we financed. We had one of the first development lending corporations. We got the government -- two prominent Dominicans who were known in financial circles and had active interests outside the Dominican Republic and were really democrats. They had a lot of stuff in Jamaica and elsewhere. They had a development finance company. So, we lent them the money and that was one of the first successes, that we were able to get the government to on-loan, provide a guarantee for this private entity, to help create small to medium industries. I know we replenished their fund once, just after I left. Then, subsequently, we told them (this was after I'd left several years) that "Further monies you can get from the IFC." Basically, we laid the seed. So, that is that thriving institution for small to medium scale industry.

*Q: It's still thriving?*

ZAK: Yes. Corporation Financiero Dominicano. I think it was maybe written up in one of the CDIE series. There was a gentleman who had gone to Syracuse University who was head of one of the largest banks there, Alejandro Rijon. We got him to help set up a soft window for lending for industrial purposes. Having all this local currency from all sorts of sources with virtually no restrictions to what we could do with them, we worked with that bank and with Chase Manhattan, which had a branch there. We pumped in local currency for lending in the agricultural sector, not ag credit. There was an ag bank, which was a big mess. But for basically cattle and equipment purchases for small holders. The banks were supposed to lend the money subject to standard commercial criteria, which they would apply as if it was their resources. We provided a lot of the assets, maybe 50%. We provided them with a guarantee for a certain amount of the tasks. So, I think that

these were some very creative programs, which we didn't have to go to Washington for approval.

*Q: Were there others?*

ZAK: Well, yes, we did a lot of feeder roads, which were very good, out in areas which basically had no access to markets most of the year because of rain, and by building in bridges. They weren't paved. They were basically with stone, crushed stone. You opened up inaccessible areas, which they didn't have before. Helping set up this office of cultural patrimony to give them a stake in the whole thing was very creative. Basically, tourism is a very big thing there now. This helped a lot. The general beautification of the city. Community development projects in poor areas of Santo Domingo. Working with women. We had like 125-150 projects.

*Q: These were local currency?*

ZAK: Local currency.

*Q: Where you didn't have to deal with Washington on approvals.*

ZAK: In the mission the loan portfolio went to the loan office; the supporting assistance loans, the local currency generated by supporting assistance loans, contingency funded loans, PL480, those were managed by the program office. So, we were staffed to do a lot of project management. We had hired some people who had gotten out of Peace Corps to join our staff and they knew the country well. It was a joke that some of our people knew every five minutes where to find a cold beer. So, you never would get in trouble on the road or get famished.

One of the things we had to do as part of this normalizing our relationship was to get out of these things. So, I spent most of my time there trying to improve the implementation, telling people basically -- actually, the director did, but we did all the dirty work -- that if expenditures aren't moving along, we had a terminal date for commitment of funds, a terminal date for disbursement of funds, and a third date when all funds had to go back to the central account for reprogramming. We were going to start insisting that we follow that fairly rigorously. Basically, within a two year period, we got down to a very manageable level of maybe 20-25 activities which we wanted to continue. But we did not make any new commitments to the existing activities. They were supposed to run their course. The new management style that was decided upon was to basically say, "If we sell you guys \$15 million bucks of wheat for the counterpart to that, we'll put in a trust fund." We negotiated with the Inter-American Development Bank (the World Bank really wasn't doing terribly much there) that they had several large projects which required big chunks of counterpart, like the Tavera Dam, which needed like \$30 million equivalent in counterpart. They agreed to use these PL480 generated currencies as counterpart. So, all we did was write a master agreement with the government, saying, "We'll fund the following two or three projects, which are managed by the IDB." We got the IDB engineer to certify to us that the criteria for disbursement had been met. Based on that, we

would authorize the Central Bank in the Dominican Republic to disperse the funds. None of the later funds were U.S.-owned. They were host country-owned, but the U.S. had a voice in controlling the disbursement. In some of the earlier contingency-funded and supporting assistance loans, I think, we owned some of the funds. So, it was a little different. In a practical sense, we maintained good fiscal prudence and responsibility over the disbursement.

*Q: What happened to all those projects that you discontinued support for? Did they die?*

ZAK: Some of them just basically had finished 95% of the work or 90% and you needed to clean it up. No one was moving. So, most of them, they cleaned up. If things weren't moving in an area for a specific reason, then we got them to agree to reprogram in for other things in the same area, so the ministry didn't lose anything. Then, we'd see how they were doing.

But I used to have to negotiate. Within the presidency, it was called the Technical Office of the Presidency. This is where all the you-know-what was done. That's where the contracts were let. The head of it was an engineer two and a half times my age. But he was a baseball fan and baseball's big in the Dominican Republic and we used to go to baseball games together. He liked me. So, he'd call me over for a meeting and he would have no qualms about chewing out a minister in front of me. I was terribly embarrassed and I turned colors. He basically said, "Hey, AID says you're not spending these funds. What's the matter? You've had the money for two years. You haven't built anything or you're at 20%. What are we going to do about it?" So, by using a lot of jaw-boning in many cases, we got a lot of things changed. You weren't going to get perfection in a two and a half year period, but basically, we got, I think, close to where we wanted, to have a lower profile in the country. The Dominicans were notorious -- they had graffiti even when I was there, on the wall, which basically captured their love-hate relationship with us. The signs would say, "Fuera Yankee, maldito americano, pero llévame contigo," "Get out of here, you damn American, but take me with you." So, that was the Dominican Republic. "Hey, we want the visa, but we don't want you here." We managed both in that program and in other programs to get out of managing their daily affairs, moving towards a more mature relationship and encouraging them to take the lead.

*Q: Was there a dollar program in addition to the local currency program?*

ZAK: Yes.

*Q: What was that for?*

ZAK: Technical assistance. Everyone had their public safety program in Latin America at that time. We had community development projects. We supported two agricultural institutions. We had a grant for industrial training through the Salesian Fathers. We did a lot of technical assistance with water, particularly in the capital, and the national water agency, and the national water and sewage agency. So, we had provided some demonstration projects to them. Basically, we were trying to build up their capability so

they could extend water supply and sewage supply systems throughout the country.

*Q: Did you find that technical assistance was effective?*

ZAK: Reasonably. We also had some projects with the Central Bank and that was a particularly responsible institution. You started off from a low base of public accountability, so you could only go, in real sense, one way: up. It was going to be a long haul because it was “a facade for a democratic government with democratic elections.” But in essence the president ran the show lock, stock, and barrel, and nothing escaped his attention. In fact, I think, he finally retired last year at 86 and virtually blind. He would just love to get up and tell you down to the last penny-

*Q: This was Balaguer.*

ZAK: Joaquin Balaguer. How much they'd spend on a particular project. But we had a small Peace Corps there, so we did some work with them. They got some of our local currency, too, by the way, to do good things. If you were on the wrong side in the mission, your morale wasn't that good because you were being chopped. We were reducing staff. We had a massive program at the Higher Institute of Agriculture in Santiago, which was in the bread basket of the country, which was training middle grade technicians. We were also working at a higher grade with a massive team of 13 or 14 people, almost like Nigeria's style. Things with Texas A&M University. They'd been there since the revolution. They were collocated in the agriculture ministry. That had its pros, that had its cons. But in general, the aim over time was to cut staff, reduce our investment, and try to get the multilateral donors to come in and normalize our relations. We had a very good ambassador at the time, who was subsequently murdered in Beirut, Francis Edward Meloy.

*Q: What would you say were some of the most effective accomplishments of the program which you were associated with?*

ZAK: I think this thing which we worked through ADL and trying to get people to start talking to one another is probably- It's hard to say. It was probably a very important thing because it opened people's eyes. That also was a spinoff. The Corporation for Industrial Development eventually took over and provided the secretariat and support for carrying this project on. That was from a person who I would consider extreme right-wing. It was building some of these smaller institutions at a small scale, not overwhelming them, allowing them to feel their way through. Over time, many of the people who were there when I was there are still there, but in different positions, in responsible positions in the government. The government changed its context. I would say you did a lot of stuff with physical- because the president needed that as walking around money, to show that he was setting up a school here. That allowed him to visit communities. But I think some of the institutional stuff we did with the Central Bank, with getting people to talk to one another, some of the local currency projects, I think, have had lasting impact. I still see some of the people who were involved in that. They tell me that. I was very pleased to be part of that effort.

*Q: Was there any kind of development policy or strategy being promoted by Washington for you or were you pretty much on your own?*

ZAK: We were certainly promoting a market for U.S. If you had to import agricultural stuff, we'd rather it be from the U.S. than elsewhere. That was the period in Latin American history when all of them were gung-ho on import substitution. So, they had barriers. You know, they'd all set up their mini this and that. Trujillo -- I don't think we ever imposed sanctions. Well, maybe we did on arms. But he developed an indigenous arms industry based on assistance from the Czechs because we wouldn't sell him certain kinds of armaments. They had their white elephants, small steel mills. The government owned automobile agencies. So, the government had a thing called "corde," the Dominican Agency for State Enterprises. This was where they were thrown after Trujillo died. The government until recently hasn't really gotten rid of them, whether it was the brewery, automobile salesmanship. They had all sorts of stuff. But it was a time when the Latins were very autarchic and basically wanted higher barriers, wanted to develop their own little industry, even though, in a country which was somewhere between four and five million at that point, didn't really make any sense. I'm not sure we were in favor of that. We inherited the situation. What we did do, we felt, and again it related to Dominican history. In the past, when the dollar-Dominican peso exchange rate went away from parity, the place became a financial mess. We had to intervene and basically run the customs of the country for a few years and then get out. We were in there at least two or three times through parts of the '30s. So, a sacred myth in Dominican culture was, you don't mess around with the dollar-peso exchange rate; it has to be one peso equals one dollar. We brought in ADL economists to do a study. This was started in '70. It took us a year and a half to do. We were going to educate the president and everyone else in the National Development Commission, saying, "Yes, you're doing this, but it's really hurting you. Your costs are all out of whack and you're not going to be able to do any great amounts of exports, other than rum." They had a nickel mine they had discovered when I was there. "You're not going to be able to do any massive agriculture--" They had some small agricultural trade with Puerto Rico, but that was really small stuff, nothing major. Basically, the overhang of the imbalance in the exchange rate was a big mess. That was one of the things which we agreed on with Washington -- we would try to develop the framework and try to educate the Dominicans on it. Well, it didn't really work because the president wasn't interested. He was living fairly comfortably because the economy was growing at the time that I was there, so he didn't really have to take any hard decisions. He could put it off, which they did. Eventually, the parity is gone. It's like now, I think, 15 or 16 pesos to the dollar. But they wanted to set up exporting. We were going to help them with export development zones. That was the only way you could address the imbalance and the issues. A lot of the social legislation, even though it wasn't that great, would not apply. You could maybe get your prices in order in terms of labor costs. But for anything larger in the economy, you couldn't generate anything because of that overhang. The cost was just out of whack. So, that was something we were not successful at. The ambassador was involved. The economic section of the embassy was involved. The political section was. We were throughout AID. We were committed to try to help our Dominican friends and colleagues understand what it was costing. But the

president had called the shots, saying, “The minute we went off from that in the past, you know what happened. I’m not willing to take the political risk.” So, that was the unsuccessful part.

*Q: How was the relation with the embassy? Were you on the same track or did they have different views about what the priorities were?*

ZAK: Generally, close together.

*Q: So, it was the sort of political policy interests?*

ZAK: Well, part of that was the way the mission was. The deputy director was on loan to us from State, John Bennett, who was then off to be counselor of the embassy and went off to Korea.

*Q: But did he follow a line that was more of a political impact question or a relations question?*

ZAK: Everything was political impact there because the goal was to reduce our presence. You’re still going to be the superpower because there’s no way you can beat it. They’re a country of four to five million and you’re a country of over 200 million in the north, the colossus of the north. But at least to ratchet it down that we’re not running the municipal fire department or running the police department.

*Q: So that the foreign policy interests and the development program interests were-*

ZAK: Well-meshed. We were concerned about, on the police side, with violence. This was one of the wildest- Did you know Ed Nadeau?

*Q: No.*

ZAK: He died anyway, but Ed, when I came, was program officer. Then they asked him to go to “special development projects.” That meant cats and dogs. He went down there and he had to supervise the public safety people, who didn’t want to be supervised. They said, “We only talk to God.” When Trujillo was still around and couldn’t get arms, they went out and developed their own based on some Czech guy, a semi-automatic weapon called a San Cristóbal, and pistols. Unfortunately, these weapons were notoriously inaccurate. So, if I’d point it at you, it would go and hit that chair. So, one of the things we decided to do under the public safety program, for every full pistol they’d give us, we would give them a new American one. But the mission didn’t trust the public safety people. So, it was my deputy and myself who got stuck with going over to the police headquarters and receiving and counting them, putting them in wooden boxes. Then, the ambassador didn’t want them seen around, so he convinced Ed Nadeau, who had a power boat, to take it in his power boat. Ed Nadeau and I got caught dumping things outside one of the harbors. The harbor master said, “What are you guys dumping there?” It was like 60 feet deep. So, we got ourselves in a little tizzy.

*Q: Did you dump them?*

ZAK: Oh, yes! The ambassador didn't want them around. You know, we're not going to give it to you. What they started to do with the public safety people was to give them parts of revolvers. They said, "No, it's got to be a complete revolver." "So, we get the serial number and everything. We'll give you a new one for that."

*Q: Why didn't he trust the public safety people? What were they up to?*

ZAK: Well, I won't say anything bad against my public safety colleagues, but they figured those in the program office were a good counterbalance to make sure that they weren't too cozy with their buddies in accepting anything like that. So, the grades and standard were discussed at a meeting and we were told, "This is our marching order. You've got to get this and then we can authorize the release of these other pistols."

*Q: But it was the public safety people who were pursuing aims that were not consistent with the overall U.S. effort there? Or they had a different agenda?*

ZAK: I think, generally, they supported what we wanted. I guess the ambassador wanted a check and balance built in, to make sure that he was satisfied, by people who had no vested interest with the police or would be under the pressure of the police to do things. Which made sense. So, we did a lot of things there which typical program officers didn't do.

*Q: Well, that's very interesting. Are there other dimensions of your experience there? You mentioned something about community development. Was that a significant effort?*

ZAK: Yes. We had some good Latinos who were working with us, who basically were working in various kinds of experiments around the country.

*Q: What kind of activities were they?*

ZAK: Helping people to organize, to get projects done, whether it's with women, whether it's community action, how do you do this, how do you do that? It was not a very literate society. I mean, it was quite a notch above Haiti, but still, these people had, for the period of Trujillo basically, they were cut off from the external world. Travel outside was very, very limited. Then you had the revolution. So, if you wanted to get across Western democratic ideas and experience that we had, we were determined that we were going to do it.

*Q: Was this community development program fairly countrywide?*

ZAK: It was in different parts of the country. I don't think it was countrywide. It was in certain areas.



*Q: But you made reference to trying to encourage democratic approaches and things of that sort. Was that specific?*

ZAK: Well, we didn't have anything in terms of political development. I think it's more of access to credit, access to getting people to talk, to try to build a consensus. I think those were the things. Working with grassroots organizations which basically worked in the barrios or the slum areas, who would outreach and give them the funds to work with their folk, their clientele, to do their program. Also, working with the banks, where we would put in some of the money for lending, but they would do it to try to get it closer to the average person who would have a better chance of getting something out of the system. We also worked in improving health care. We provided a lot of the capital budget through the local currency program of the Health Ministry.

*Q: That was mainly what, building clinics?*

ZAK: Well, it was building clinics in some cases. In some cases, it was the equipment, the supplies, paying for some of the additional personnel. We did the same thing in education, where we would use local currency resources to work with the Ministry of Education to develop new curricula, to print didactic materials and get that out. So, when I said we were involved in anything and everything, we were. As I said, when I was there, everyone went through withdrawal symptoms. Those people who weren't going to get funded if they weren't performing or we decided that the time for doing that had gone- There were people in the mission who basically liked living there and, "Gee, I'd like to stay here for another three or four years." But the program didn't need to go on for another three or four years.

*Q: Did you feel you were able to build up their professional capacity, the institutional capacity, to carry forward on their own?*

ZAK: The other thing I forgot about this, we also established an organization for out of country training, which we funded, and we funded again. The third time, they went to the Inter-American Development Bank and got funding from them. I don't know if this was the first in Latin America. It probably was one of the first. It was the Foundation for Educational Credit, which basically was for advanced technical, professional, and academic training in the country and overseas (basically in the U.S. and Mexico and Puerto Rico). We had to recognize the quality of the institution and the program.

There was a certain forgiveness. We capitalized it. They were supposed to loan the people the money. There was a certain forgiveness clause built in (I don't remember the details) if they came back and if they served in a certain capacity. This refunded, I think, four to five million dollars to start off with. So, it was quite a few people who got the chance to go. This allowed us, in part, to reduce our participant training program to areas where it was really in our interest, like labor, public safety, and to use the traditional agriculture, education, engineering, medical stuff. It was limited in terms of areas, but basically we helped them set up the institution. We provided the advisors. How do you set this up? How do you do the testing? How do you select the people? How do you get

them to come back and work? I wasn't there when the people- A few came back, but-

*Q: Did you have the impression they came back?*

ZAK: Yes. Hey, the auditors would have been all over us. We had to have them bonded. But I wasn't there when they had to really start in a major way their service period or repay the funds. So, I don't really know what happened. But these are all very nominal projects. This is 1970. It virtually got no interference from Washington.

*Q: Was there also direct work in helping them build up the institutions, the organizations of development as such?*

ZAK: Yes, we worked with some of the technical ministries like public works, the technical areas, water and sewage, the Education Ministry, the Health Ministry, the Industrial Development Corporation, the schools and faculties of agriculture. Those would be where we had technical people. They didn't get money without having technical personnel from our side, either a project manager or actually people working with them. We also had a very good local professional staff who did a lot of technical assistance. That's one of the nice things about Latin America, that you had trained people. They're still around. I still see the names still. People who went from us and worked for a private group or an NGO and now are working for the government or another group, either making money or having a good time or making a very vital contribution.

*Q: Would you conclude then that our assistance there, particularly at the time you were related with it, had made quite a difference in the development situation in the country?*

ZAK: Yes. The only thing I was frustrated about was that we wanted to do certain things if they liberalized the economy. When we couldn't do that, when I left, we started to say, "Well, we're going to lower our financial support to you. Basically, you're not getting the biggest bang for our dollar. That's really what you need to do. That's a real drag on development. You've got to change. You've got to adopt a flexible exchange rate. Otherwise, you're dragging everything down and there's no way you're going to attract major investments," Blah, blah, blah, the whole nine yards. That's what we did. There were some bad years in the mid-70s, where basically we just didn't do anything. I think we were polite about it. We didn't put the screws to them. We just basically said, "No money available."

*Q: Anything else about your experience there?*

ZAK: Oh, a great place.

*Q: You found it a good place to live?*

ZAK: Yes.

*Q: You found them good people to work with, by and large?*

ZAK: Yes. Really friendly people. Not always the most reliable, but easygoing. Great music, good beer, good restaurants, good beaches, and I had good friends.

*Q: After the Dominican Republic, you went back to the States, is that right?*

ZAK: Oh, yes.

### **Returned to Washington to the State Department Policy Planning Office for Latin America - 1972**

*Q: This was what year now?*

ZAK: This was mid-'72. I went to this great institution to get a cram course in economics for 26 weeks.

*Q: You went to the Foreign Service Institute?*

ZAK: Right. I had asked to go off to university and they said, "We're not doing that." Basically, it caused me to lose my sight because I was reading too much under strained circumstances. That's when I really started to wear glasses. But it was an excellent course. I made very good contacts there because a lot of the people went on to be ambassadors or other senior officials for State. I still am good friends with them. There were very few people from AID. I think there was one other person, Peter Bloom, who was in the course from AID. It was a rather strenuous course, which I enjoyed.

*Q: That was how many months?*

ZAK: 26 weeks. It really is not tuned to AID or AID's work.

*Q: What was the focus more on?*

ZAK: On economic and commercial studies. Just giving a general overview of economic theory, international trade, economic development. But it really wasn't something like the DSP (Development Studies Program). The DSP was more tailored to meet AID's requirements. I had that course in 1990, so I can tell the difference. The other one was more theoretical economics, applied economics, not necessarily that you would apply very much of what you learned in your day-to-day work either in State or AID, but that you would have the knowledge so that when you looked at or tried to analyze economic phenomena, you would know if you were being b.s.-ed or you could understand the issues better than if you didn't have the course. So, from that point of view, it was useful. But it wasn't something like "We're teaching you how to do multiplication so you can go out and run a calculator afterwards." It wasn't that. It was more abstract. It was a good course. I enjoyed it.

*Q: So, following that, what happened?*

ZAK: Then I landed in the Office of Policy Planning and Coordination in the ARA Bureau of State. They were looking for someone from AID to be a “planning officer.” Part of the work would be to concentrate on development issues. It also tied into the National Security Council Inter-Departmental Group for Latin America. That office served as the Secretariat, so we served a State and AID function. We also tied into the NSC Inter-Departmental Group. There was a director, who was doing all the politicking; the deputy, who was Roz Ridgeway -- she was the fisheries expert and that was a big regional issue at the time because we had lots of problems with Ecuador and Peru. Then you had a two-person shop, one from State and one from DOD. The top person was from DOD, dealing with political/military issues because any of the applications for foreign military sales or excess property grants had to go through this office. So, they had to deal with those specific issues and also the broader issues of the political/military relationship in terms of our bilateral relationships. Then you had three planning officers which handled all the rest. I was one of the three. I was supposed to specialize in developmental issues if needed, but basically we were organized along country lines, for the most part. So, I handled Mexico, Central America, Argentina, Paraguay and Uruguay. So, anything that came up through that regional planning process for State/LA which required a regional policy planning perspective. There was another office in the Bureau which dealt with regional economic policy, so we really didn’t go heavy on that, although the head of the office was an economist. The White House had asked us to put together a National Security Memorandum on what our relations should be with Latin America. So, we spent a year and a half doing that and trying to get it through the inter-agency process. The other thing we managed in the inter-agency process, they tried to do an integrated policy document which was done each year and updated each year, called CASS -- Country Assistance and Strategy Statement. There would be a policy statement in front, again for guidance. Our office did the guidance. Sort of like the ABS and Strategy Statement in AID. There was a very stylized format which embassies had to basically fill out. The ambassador would write an overview, a summary of what we would achieve for the next year, where he sees us going in the timeframe, goals, objectives, courses of action and expected impact. Then, you also had to put down the funding source of what you needed, the agency in that. They also had the idea of taking that and integrating it on a hemisphere basis, calling it a “Hemisphere Assistance and Strategy Program.” That never got off the ground because doing the other thing was very difficult. Serving as the Secretariat, we had to organize the inter-agency meetings which reviewed the documents both at the staff level and at the senior level. The senior level was usually with the senior DAS (Deputy Assistant Secretary) for Latin America.

I came into contact with agencies in my normal course of events which I would never expect, wish, or desire to get involved with, like the Pentagon. The Pentagon was always interesting because they had two representatives. One was for the Joint Chiefs of Staff. Then they also had DOD, International Security Affairs. They didn’t always talk with the same voice. The Joint Chiefs of Staff was, from my perspective, a much more polished operation closer to the State Department in the way it operated, as opposed to ISA, which is interested more in military assistance. The level of the quality of personnel that I

thought we were dealing with there was not as high and not as professional, not as well-rounded, any adjective that you care to use. We had to deal with OMB. We had to deal with AID. We had to deal with USIA, Ex-Im, all the agencies which had a stake, seeing whether they agreed or disagreed or whatever with what was being proposed. So, as the Secretariat, we had to set up the meetings, we had to negotiate things, we had to write our staff paper on what we felt, whether the document was on target or not, whether it followed the guidance. There were country specific items which we asked them to address. Whether they addressed them adequately or not -- it was a staff position.

*Q: Did you find that a good process or desirable? Did it make sense?*

ZAK: It made sense if the real decisions were going to be made in going through the document. My impression is that part of the important decisions were being made through that process. For all sorts of reasons, not necessarily the best discipline. I think setting out the new direction strategy for State in terms proposing to the NSC where we were going in Latin America and the sorts of things we might want to do in the future, I thought that was a much more creative process and set the tone for what we were doing in mid-'74 through the late '70s. That was much more of a useful project because that was basically gathering everyone's ideas from all the agencies and seeing how we could come up with something malleable. We were looking for a new, mature relationship with Latin America. So, that was that. I didn't have a particular major role because most of it was political, but at least on the development side.

*Q: Was there a particular policy thrust to all this or was it a particular kind of orientations or was it a more-*

ZAK: We wanted a more mature relationship.

*Q: What does that mean?*

ZAK: Basically, we didn't want the good old gunboat diplomacy, that we send in the Marines each time. We wanted to recognize that they had grown up and that we had grown up. We wanted to encourage democracy.

*Q: Was this after the Alliance for Progress?*

ZAK: The Alliance for Progress stayed on through sometime in the 80s, until it was formally disbanded. It's like a lot of governmental functions. It's like with AID, where you have this thing IDCA or whatever you call it. What was the parent organization for AID? International Development Cooperation Agency. They kept that on the books, but basically didn't staff it or do anything with it. So, as the Alliance receded, you kept the symbols, but basically you didn't kill the Alliance. It died its slow death naturally until it was eventually- I guess, somewhere in the late 80s, they just basically said, "Well, that doesn't exist anymore." But I don't think anyone lost any sleep over it.

Nixon was upset when he went to Caracas in the late 1950s and he saw the way youth

was reacting. So, we had a rush to have youth committees at each post to try to see how we can work with the younger set to make them less hostile towards us and maybe even to make them friendly towards us. A lot of the stuff is classified. I'm not trying to hide, I just won't discuss it. They were concerned about Che Guevara riding high and a few other incidents. The Soviet Bloc made a big move to try to infiltrate-

*Q: Was the communist threat a big concern at that time?*

ZAK: I think we had a knee jerk reaction to that. I wasn't paid to make the political decisions, so I was following orders. There was probably something there. I'm not sure how serious it was. But we wanted to move to a less directive, more partnership type relationship.

*Q: How was that supposed to be manifest? Do you have any idea?*

ZAK: We looked at the youth issue, and how we were going to work with military, the kinds of training we were going to provide them, the kinds of assistance we would work with them. In Paraguay we decided we were going to do a program. I forget who was doing these helicopters, but one helicopter company thought that Paraguay, our third largest purchaser of helicopters -- they were probably the third or fourth largest importer of U.S. cigarettes in the world. They brought cigarettes into their country and flew them out to neighboring countries where tariffs were very high. So, we didn't really like that. So, one of the persons closely involved with our program decided we ought to do a thing in civic education. So, we did that in several places, civic education, civic responsibility, building up faculties of economics, to try to create things which would support a middle class and a middle of the road, in terms of some of our assistance intervention.

*Q: Anything specific on democratic processes or systems?*

ZAK: A lot of the stuff that was going on was being done by another agency, which we knew something about but not all that much about. We kept our distance because there was nothing in it for us. I was just sitting in Washington. During that period, I think I made one trip overseas. It was basically liaison within the State/AID bureaucracy and with the other agencies of the government.

*Q: Was there a specific policy paper for the Nixon administration?*

ZAK: Yes.

*Q: What was the thrust of a more mature relationship?*

ZAK: We had this annual exercise. Plus, we had specific things. We had to do a paper if there was an expropriation, what we would do politically on this and that. Fishing was a big issue at the time. So, we had the person who learned more about it than anyone else in the world. She was sitting in our office. She basically got the great honor of doing that. When she left our office, the Brits were giving the Bahamas their independence. We had

some bases down there, submarines. So, she was sent down as DCM because she had done a lot of work on the Law of the Sea issues, to do the negotiations with the nascent Bahamian government, to secure our interests.

*Q: Did this have any impact on the AID program?*

ZAK: I worked closely with AID because they were doing policy planning documents. So, we were pretty much on the same wave length. What I did not want to be caught in, them trying to say, "Well, you work for us and we want you to say things which your bureaucracy may or may not accept." This was unacceptable to me. I had overtones that I'm supposed to be independent, not worry about AID. "We'll take care of AID." I basically maintained a good, cordial relationship with Frank.

*Q: Did this result in some change in AID's development policy?*

ZAK: I think it was pretty much going along in the same line. I think it may have been an emphasis on one country as opposed to another country. We were all moving together pretty much.

But AID decided that after I left the office, they didn't want, they had cut back on some of their positions. I think it was just when Vietnam was falling apart, so they were losing slots. They said, "We really can't afford to give you a person who's basically doing State work." So, I was the last. It was an interesting interlude for me. I met people I would not have met. I had to fight bureaucratic battles which I definitely would not have. It was literally the only job I've had which was very high-level, basically staff. It wasn't doing any project program work or AID work. It was just doing very different stuff, dealing with a whole different set of issues.

*Q: You were there how long?*

ZAK: Close to two years.

*Q: Then what happened? Where did you go from there?*

#### **Assignment in Panama - 1974**

ZAK: Then I went to Panama.

*Q: What was your position in Panama?*

ZAK: Program officer.

*Q: And how did you find the situation in Panama at that time?*

ZAK: I was sent down because we had a problem in Panama. That is, it's a wonderful country, but there was poor morale. It was a big mission with a program which was

overwhelmingly political in content. We had some early bad experiences in the late '60s where they had riots in the streets. We were trying to negotiate a canal treaty with the Panamanians.

*Q: This was now under the Carter administration?*

ZAK: Before. He came in in 1976. This was before that. It started before. The, shall we say, leftist or populist, a combination of both, colonel pulled a coup in 1974, just before I had gotten there. He stuffed a lot of the ministries with people who were opposed to U.S. interests. We felt that we had to have a substantial program there during the canal treaty negotiations because if the body politic is being influenced to think left, we're not going to be too successful in selling anyone on a canal treaty, both there or in the States. So, one of the underpinnings of the AID program was to facilitate the canal treaty negotiation process as well as to have the goodies after that.

*Q: How were our programs supposed to help facilitate this process?*

ZAK: I'll give you an example. One of the things, in addition to being the program office, we were organized by project teams. Each person in the Program Office was given a sector. I was given education. In the education sector, the management in the Panamanian Government was very weak. The minister was a decent fellow, but the people who were running the ministry in terms of pedagogy and everything else, were radical leftists and didn't want anyone dealing with anyone like us. We felt that these people, because they had just taken over, were going to develop some new pedagogical tools and social studies and history and, of course, in other areas, too, mathematics. But we were particularly interested in social studies, history and things like that. We had seen some of the stuff they had developed in galleys and it was really virulent anti-U.S. One is, if this got up to the States to people on the Hill and they got hold of some of these tracts, there would be blood to pay in saying, "We really can't deal with these people because they're antithetical to our interests." On the other hand, we were concerned on the local scene that the kids were being whipped up into a frenzy with nonsensical and erroneous didactic material.

So, I was given the task of making sure that we got into the education sector. We did. We had a project working with one indigenous group and then formal education. That was an experiment. There we had a reasonable project manager, Paul White. This was out in the countryside in a fairly remote area, but where there was a big copper mine going to go in and that would have all sorts of dislocation. So, I think we did a reasonable job. But working with the central government Ministry of Education, they were not in financially the best straits. They really needed resources if they were to be able to put over their educational reform. We did a sector loan, which I think was 15 and then increased by 10 to 25 million dollars. Most of it was loan. Some of it was technical assistance. We would ask them to set up counterparts to us. We would have a joint project team. This was one way of looking at materials as they were coming out so we could come back in a polite way and say, "That's not correct. This is going to create problems." You want to call it censorship? You got it. But we're not so heavy handed. It was done very politely. So, we



were able to see the materials because we said we had to agree on materials before we would pay for their printing. They didn't have the capital to do that. So, we ran a very fine line during that period of working with a rather radicalized bunch of people who finally came to work with us and respect us. We managed to help them with their educational reform, get reasonably good didactic materials. It's not that you couldn't criticize the United States. It was that you shouldn't bash us for things that were really not true. So, we allowed the criticism in. The bashing, they were convinced really wasn't in anyone's interest. So, I had that responsibility. I think it was a very successful effort. I had good friends, people who were from the extreme left and still are, but at least they could work with me because they respected us and they respected our team as being professional, competent and not unreasonable. So, we were able to, like in 99% of the time, negotiate things out. We did the draft which went through the Economic Compensation Package that we were going to give Panama once they signed the treaty in terms of technical assistance, loans, housing guarantees. So, we did the spade work on that.

*Q: Did that go through?*

ZAK: Yes. We did the first draft, but basically we didn't put the dollar amounts on it. That was decided at the political level.

*Q: But the strategy was.*

ZAK: The strategy, what we were going to do, what areas made sense and why. I can't recall that there were any significant changes. As I say, the dollar amounts we didn't put on.

*Q: What were the main areas or main lines of this?*

ZAK: A lot of it was housing guarantees. Panama City, which is the largest city, was basically surrounded on all sides by the canal zone. We had an interest when they took over the canal zone. Eventually, it would be gradually. But there's a watershed in there and if you mess up the watershed, you mess up the canal. Plus, there were ecological concerns.

So, being that they were squished in, Panama City always grew up. If you went to parts of the town, you had a lot of old slums which were built when the Panama Canal Company first built in it. A lot of people of West Indian origin lived there. It was really disgusting and really a tinderbox in terms of, basically, you could light the thing and the thing would go up. So, we did a lot of urban development, came up with different kinds of housing solutions, sites and services, low rise buildings, private homes, co-ops. We put a lot of money in that. That was loan money. It really wasn't U.S. Government funds. It was basically the Savings and Loans or independent housing finance institutions in the United States. We provided the guarantee. This also created what we wanted: jobs. We felt that if people were to do development while we were negotiating the treaty and shortly thereafter, we would not have the kinds of problems that if people have idle time,

to start engaging in political diatribe. So, part of it was to get people to see that their government was responding to basic needs. They were changing things. There was building. There was jobs. This created a lot of jobs. We had the traditional things in agriculture, ag diversification, watershed management. We also built (I think it was the only one in AID history) a tourism and convention center. That was a loan. They, as a crossroads, thought that tourism was going to be a major part of their foreign exchange earnings. By that time, they had a fairly substantial offshore banking sector and insurance sector located there. Entrepôt was a big thing, particularly in the Caribbean side and the Port of Colon, where people just set up places where they could bring things in, drop ship them from there to other parts of Central and South America. This was going to be their forte because their biggest exports were, depending upon the time of the year, either shrimp or bananas. But they made most of their money on un-merchandised things: services. We gave them some minor amount from the tolls of the canal. So, we were doing things to plan ahead for this transition period, which runs out in the year, I think, 1999.

*Q: Right.*

ZAK: So, it was a very interesting period, but it was a very political program. Everything was political there. The University of Panama was across the street from us and that was a radicalized institution. When I was there, the DCM took his car there instead of leaving it at the AID building, which we recommended, which was across the street. He went in and he went out. They chased his driver out and burnt the car. For the next two weeks, over the embassy radio, we kept on hearing about Mickey Mouse and Donald Duck. They were busy twitting us. But there was a private Catholic university, which we lent some money to (they started off in a small facility) to expand to a new campus and to improve their administration. Then again, that's also working with a political act because we thought that if we could get Western "models" in there, and establish a counterweight to the public university, this would be a public good and would help us in terms of trying to keep the political debate more in the center.

I had mentioned that there seemed to be some sort of direct relationship between how comfortable a post was and how bad morale was at the post. In other words, the more pleasant the post, the worse problems you had with morale. Panama was always a very nice place and a comfortable place to live because you had all the comforts of Panama City. It's the only place I've ever been that had trash pickup every day. It's in the tropics, but they pick that up. You could drink the water, no problem. It was purified in the Canal Zone. We had all the advantages of the military facilities and the Panama Canal Company facilities, so we couldn't complain. But somehow, morale in the mission always seemed to be a problem.

*Q: Do you understand why? I've had that experience elsewhere. Do you have any understanding of that?*

ZAK: One of the problems was the auditors. We had a regional IG office, which covered part of South America and all of Central America. We did a study at one point and found

out we were being over-audited by a factor of I don't know what - a zillion. Basically, to put it politely, some of the IG had problems with drinking. So, while they were left to dry out, they had to give them work. So, they were basically over-auditing us. This created a problem. We basically had a big to-do with the IG. They agreed they had a problem with some of their auditors, but that we shouldn't be the end-result victims of them over-auditing us to the excess.

Alex Firfer inherited the mission and noticed the amount of bickering and the static was just too high. So, he brought in a team to do organizational development. From that, we developed this concept of project teams, among other things. The project manager was usually someone from the technical division, to relieve that person to do his or her travels. They would have a backstop support called a project officer, who would do a lot of the in-house paperwork. Usually, it would come from either the Combined Program or Project Office or it could come from the Controller's Office. We developed collaboratively a way we were going to work with one another. Certain people, particularly the engineers, didn't want to work collaboratively. So, the mission finally wound up saying, "Look, we can't force you to do this. These are the norms which we'd like to follow. If you don't follow them, if you want to go it alone and not use your project team and you get into trouble, then you're in deep water. But if you use your project team and you get into trouble, then there are enough safety features built into it." It also helped get at the issue of managers or division chiefs who were savvy in their technical skills, but not what one would call managers. The concept was that the totality would be more than the sum of the individual parts. I think that was so because we used people who bought into the project. The concept was, "This is your country." Particularly, we had Panamanians on the teams as well as Americans. "It's your country. It's your country's development. We're a partner with it in terms of providing the financing, but you have insights which we would never have." So, we had financial people behaving in ways which blew them out of their usual voucher examiner role and saying, "No", into a more positive role vis a vis the team and vis a vis thinking of, "Hey, I know someone. I can get an issue resolved which we didn't think of." They normally would not be allowed that latitude, but this allowed that. On one team, we had a particular problem with the Minister of Education. The engineer on our team, his daughter and the minister's daughter were schoolmates. So, he knew the minister very well. He could say a word to the minister, whereas you wouldn't want to do it through the formal chain of command because it would appear to be political pressure. So, that's an example or two where we actually used it and it actually worked out quite well.

*Q: You found that the project teams were effective?*

ZAK: Yes.

*Q: Were there any conflicts between one's loyalty to the project team versus one's loyalty to one's office?*

ZAK: Usually, you'd try to schedule a meeting once a week on a project, not religiously, but that. You usually circulated an agenda, what kinds of things were going to happen at

that meeting. So, the person who was coming to the meeting from a particular office would discuss it within their office to get their office's views on it. That's how you integrated management's concerns. It was seen as teambuilding. Instead of having what we had, for example, on voucher documentation, the tech division would take it down to the controller's office. Let's say it was school buildings. The tech division would take it to the engineer. He would look at it and make his comments. If he had problems, he'd have problems. Then, it would go to the Controller's Office. It would start in again. Then, it would go back to the Loan Office because you had to send out a letter. By the time you had it, you wasted weeks and you had total conflict. Like this, we sat down together, "Here are the issues. These are the problems. How are we going to address him?" You were able to basically move forward. So, it increased loan disbursement rates very much because it broke the log jam.

Now, the other interesting feature which we had is (it was a rather long-winded title) -- I was the program officer and deputy office director within the Office of Program and Capital Development. So, it was an integrated office. I think we had two program types and four capital development types. I was expected to do the full spectrum of loan officer work in the functional area for which I was responsible. So, in addition to having overall program responsibilities, I had to manage things in education which included also training. A colleague of mine had to work with health, whether it was writing the CP, which a loan officer usually wouldn't do, to writing implementation letters, to managing grant projects as well as loan projects. So, it was organized along sectoral lines, which basically I thought was a really excellent model. It didn't worry about backstop. It basically gave you an exposure which you needed. You know, a project is a project is a project. Whether it was grant financed or loan financed shouldn't make any difference. You still had the same management requirements. So, by using the sectoral approach, the technical division had one interface with one person for all their projects, which was really, I thought, kind of creative. It worked reasonably well. The people in it had their heads straight.

We had a training project. Part of it was for out of country training. But we had a very creative person in the ministry.

*Q: Training for Panamanians?*

ZAK: Panamanians. We had a very smart Panamanian lady within the Ministry of Planning and Political Economy who decided that she needed to establish an in country training capability for the government. So, she organized it for secretarial courses, management courses. They submitted a plan. We funded part of the plan. We also got OAS to fund part of the plan. So, here she started off with bread and butter improving secretarial efficiency, which everyone bought into. Normally, they wouldn't want to do it. Each ministry would want to do it in its own ministry. From a cost point of view, it was prohibitive. Also, given the size of the government, it would be unnecessarily duplicative. From there, giving her selective funding, she did the legwork, arranged for the speakers, arranged for the programs, got off into all sorts of management training. So, we pumped a significant sum of money in to build them up. We had first crack at excess property from

the military. So, we were able to provide them with a lot of things to equip their facilities. So, after a three or four year period, they were able to be reasonably self-sufficient. People liked to come to them because the courses were good, well-managed, the person was a dynamo who managed it, and her staff. They were able to start charging other organizations for services rendered. So, that was something I felt was small but kind of important.

*Q: Do you have a particular example of one that was working well?*

ZAK: Well, there were all sorts of management trainings - not technical. There was a great interest in that. They made their bread and butter by offering free the secretarial and clerical training, communication skills, that sort of stuff. But then they went off to higher stuff. It still exists and it's considered a reputable host country institution. We just nudged into it by accident because of the dynamism of the person and our willingness to spend maybe \$50,000 a year to bring in speakers of world renown who would attract the kind of attendance that they want. But they were very able in programming. I thought this was really something very good.

*Q: This institution was within the government?*

ZAK: Yes, within the Ministry of Planning. Now, the other part, to complement project teams, Alex Firfer had, I think, one of the world's biggest desks. Don't ask me how he got it and didn't get audited on it. We were on the top floor of a nine story building. In one part of the office, he had his desk. In the other part, we had a conference table. It was probably from here to where those seats are. I don't know, how many feet is that? Twenty feet?

*Q: Yes.*

ZAK: It was a big, round table. It could seat 35-40 people. So, at the staff meetings, there was no head of the table. He would sit down wherever he wanted and at each meeting it was a different part of the room. It was called the "Knights of the Round Table." That's what became the session. That was another way to try to equalize things, to try to encourage communication. Most of the time, except when we were dealing with classified stuff, he'd have both Panamanians and Americans there and he went around the room. The symbolism of having this white-topped plastic table, which people didn't mind putting their feet on, and the informality was, I think, very conducive to fostering communication. He really meant it and backed up the system to do it. People who did not play the game were chastised. So, that was a unique thing they did there. It improved morale a bit.

*Q: Any other aspect about the effectiveness of the program there in Panama?*

ZAK: Well, as I said last time, it was clearly political, in part, because for most of the period, we were negotiating the Canal Treaty. We wanted them to focus on development rather than to get off in extreme politics, which would prejudice their government signing

something and which would prejudice the treaty's subsequent approval in the U.S. So, I think it worked fairly well.

We wanted them to take a long-term view and, to the extent possible, have people trained and in place, and have institutions in place, to handle things when they would assume partial or complete responsibility. So, our watershed management project was one major project in that area. We did not want that the minute we turned lands over to Panama, you'd have squatters taking it over, and the next thing, trees are denuded and the water supply that basically runs the Canal would disappear and then you've got a major problem. So, to introduce the concepts of watershed management and resource management, I think that was a contribution which we left.

*Q: Were there any discussions at that time of what to do with the American base facilities once the Treaty was over and it was time to phase out?*

ZAK: Down to the ball fields. That was in the Canal Treaty in the annexes, saying what year, what facility would revert to the Panamanians and in what order. Most of it is happening now, but the first places to go were those on the Caribbean coast, where we had from World War II, either France Field or Coco Solo. It abutted upon a free trade zone that the Panamanians had. By us turning over Coco Solo, they got relief -- they were cramped in terms of the land area, so they were able to expand the free trade zone and also have better maritime facilities as well as a landing strip for airplanes. So, that was the first to go.

*Q: Was there any planning of what to do with the other facilities?*

ZAK: Not on our part. We still had the Panama Canal Company, which we had the controlling interest in. The military controlled theirs. The Panamanians were supposed to establish their own agency to deal with that. In fact, they have. The person who head that was, when I was there, the former Minister of Planning and Economic Policy, who used to be a vice president up at the World Bank, a guy named Nicholas Barletta. It was envisaged that everything would revert by the year 2,000, with it going slowly in the first stages. It's a country where (you'd never get an honest count of the population), but we thought it was under two million people, with a third to a half of the people concentrated in the metropolitan Panama-Colon access, which is only 50 kilometers up the road on the Atlantic side. So, you had a very heavy concentration of people in that area.

*Q: Good. Let's turn to what happened next. What was your next assignment?*

ZAK: Next, I went off to Ghana.

### **Transfer to USAID/Ghana - 1978**

ZAK: This was in early 1978. We were in the midst of bad years, with their economy tumbling; with a high degree of instability; and coups; civilian governments elected which didn't last too long because they proved themselves inept; another coup in an era

where the government basically did not bite the bullet in terms of the economy and so the economy, which was in a tailspin, continued in a tailspin, which basically created problems in the body politic. I was there for about five years. Each year we got there, the public security situation became worse. Ghanaians were very friendly when I came there. By the time I was leaving, it was a different sort of person. People were getting desperate. You couldn't talk about development. You had to talk about survival. You had to live either through illegal activities or going across borders. What a lot of the middle class and intelligencia and trained professionals did is basically buy their way out by getting jobs either overseas in Britain or with international organizations. So, you had a terrible brain drain. The government was adrift. Production was down. Everything you can think of that relates to a modern economy was crashing down, down, down, down, down.

*Q: Who was the perpetrator of these coups?*

ZAK: Jerry John Rawlings in the first instance. Then, they installed Hilla Limann. He came in for a year, but he proved totally inept and there was a counter-coup -- again, by Rawlings. He's been running the show ever since. I gather from BBC this morning that it looks like he's won 56% of the presidential vote. This would be the last time that he could serve. The opposition person won 41%. This was considered a clean election, as opposed to the last election, where the opposition boycotted.

But basically, you had this drift. Then we had our program. How do you relate our program when you don't really know what's going to happen tomorrow? You have the hope that things are going to turn around. But when things don't turn around, when do you bite the bullet and say, "Hey, we've really got to start chopping." The optimism tended to last probably longer than it should have. That's a natural reaction. Then we just basically stalled on things. You really couldn't do anything.

*Q: During that lingering optimistic period, were we trying to initiate something or encourage the government to do something different or change at all?*

ZAK: We were trying to have a dialogue with them. It was clear that the people in the Ministry of Planning knew what needed to be done and supported it as did the Central Bank, but they weren't the decision makers. So, you got a nice hearing, you got a voice of support, but in the end, nothing happened. What the Ghanaians were doing was like what the mayor in the District of Columbia does. He had a new initiative every month, but the initiatives were not backed by real resources, so nothing happened. But it became increasingly clear that our counterparts could not meet financial commitments or human resource commitments to our projects. Then you had to start scaling things back politely. We did that with the big agricultural project Midas, which was a hydra-headed monster with like seven different things. You name it, we had it. There, we did a very extensive joint review and basically made our conclusions, saying that certain things warranted support (not under current circumstances, of course). When you're bringing in foreign exchange and people need foreign exchange to survive, you're cutting off people's income. So, there was some resentment, but I thought that was natural.

The big problem I had, and I'm mentioning it because when I took the career transition course one of the persons from the AF Regional Affairs Office was there, and he said, "Oh, so you were the son of a bitch who tried to cut our program." I said, "And you were the assholes who just refused to realize reality."

I didn't know this gentleman until I met him a year ago. We had figured out that between Central Bureau and Africa Bureau Regional Projects, we must have had close to 60 projects. We did an estimate. But there was no central repository which could tell us. It was just things which we did our own inventory on. We tried to figure out when they started, what their goals were, how long they were supposed to last, what financial inputs had been for the last two to three years. Most importantly, we had to try to figure out what was the implication for manpower at the post. If you got all these projects, even though the project manager was back in Washington, you had to check on things, you had to do things, whatever. So, we figured out a substantial part of the work portfolio that we were doing beyond the bilateral portfolio came from these projects. Everyone was sort of amazed as to how many projects there were. A lot of them were concentrated in the health and population area. Some were what I would call major projects of over \$300,000 funded incrementally out of Africa Bureau technical support funds. So, the projects really weren't projectized per se. So, we were able identify the human resources that were required.

One of the other problems we had was, most of them, particularly in health and population, involved paying people locally. Ostensibly, everyone was supposed to convert money at the bank. But we had some of our own contractors who got caught not doing that. When they submitted vouchers, they clearly had gone to a black market, which was illegal. We had the hunch in talking to people that we gave an organization in the States money. We didn't track how it was transferred locally, but we had anecdotal evidence to suggest that in some cases it was and in some cases it wasn't. In the case where it wasn't, someone made a big windfall because most of the time when I was there the official rate of exchange was 1/8 of the black market rate. So, if the Cedi was 8:1 on the black market, it was 1:1 or thereabouts on the official rate of exchange. But if you went through the official system and you're paying someone in Cedis rather than dollars, you're still paying 8:1 because it cost us on the official market eight dollars to buy what one dollar worth of Cedis on the black market would pay. So, basically, the cost of doing business became, to us, very excessive and quite frankly, a waste of taxpayer money. The costs were just outlandish. This was not important to the people in Africa RA. We were doing something in population, they thought. But with the kind of environment that you had in Ghana, you couldn't have development. People were thinking survival: Where am I going to get my next essential commodity? Many of those projects turned out to be resource transfers. We ran into all sorts of hell and fire from Washington sources when we tried to shut most of them down. We were delivering equipment and we could track if they were being used, that's fine. But we were basically paying someone off. You know, gee, I would have liked to have made that kind of money, too. It didn't sit well. Of course, no one on the Ghanaian side volunteered to help out. I don't think we had any great support from the bureau for it. I think Coker had to go in several times.



*Q: He was the mission director?*

ZAK: Yes, most of the time, and then Jerry Zarr.

*Q: You were talking about phasing or cutting out. Was there anything left of that? Did you keep any of it?*

ZAK: Yes, we kept a very small research component. But extension, you couldn't get the inputs. We were supposed to have a second phase of the loan. That was put on hold because, basically, they could never get their fertilizer prices right. They could never get the fertilizers ordered that they would arrive on the farm that needed it. It was just a bag of worms. We had problems with PL480. We were providing Title I. We started that to support the democratically elected government, but they were very inept. I remember going with a Food for Peace officer Saturday at two a.m. to go to the minister of economic planning and to the governor of the Central Bank to get them to sign papers because they didn't pay the shipping costs and the Greek ship captain's saying, "We're not unloading." We kept on telling them, "Your demurrage charges are like \$15-20,000 a day. You're not going to get this food that you need." So, we had to do all sorts of bizarre things to try to get the system to work. Their system was a creaky ship. You know, Joe Abbey is a very fine person, but he didn't control things.

*Q: He was the minister of economics?*

ZAK: Yes. And Mary Chinery-Hesse in finance and economic planning. They didn't have any problems with us showing up at their door at two o'clock. But we saved them money. We got a lot of things resolved. Then we had problems with, like, a million dollars worth of food disappearing. Someone just stole it. It created a problem for AID in terms of an audit trail. We couldn't write it off. Fortunately, we had someone with a political will who did it: Ambassador Smith (Robert Powell Smith).

*Q: What did he do?*

ZAK: He wrote off the loss. We couldn't do it because we'd get into trouble, but he did. It was that sort of thing. No one had the stomach to go after the Ghanaians. The Ghanaians didn't have the stomach to do things correctly. It was just a very bad-

*Q: Was everything closed down then?*

ZAK: We did some small training in the health area, some small stuff in population. We had a program in intermediate technology. The Ghanaians saw it as, let's do things domestically if we can't import them. So, let's melt steel and let's have this institute up at the University of Science and Technology in Kumasi make bolts because we couldn't import them. You had this famous pyrolysis project, which was a disaster from the word go. We were sold a bill of goods. It was active when I was there. We wanted to be sold a bill of goods. It was a thing where the science was really still experimental and the applied science really wasn't there.

*Q: This was the pyrolysis converter project?*

ZAK: Right. The theory being, you have all these pyramids of wood shavings up in Kumasi and if you can basically, one, clean up the environment and at the same time, convert the shavings and sawdust through pyrolysis to an oil which you then could use either for cooking and lighting, you would save on foreign exchange and you'd be able to create a good industry in the country.

*Q: And make charcoal.*

ZAK: Right. The problem was, the product was very highly acidic and corrosive. So, you had to have the capability to treat it and treat it rather fast because your barrels would wear out. It also required pressure gauges and a certain amount of precision, which the Ghanaians were not known for. I felt that it was an unproven technology which was being foisted as a known technology. All the downstream stuff just was not there. It never really worked. We really pitter pattered away.

*Q: Do you know where the technology had been developed?*

ZAK: I think, one of our contractors was Georgia Tech. I gather, the person who was the engineer is now with the World Food Program somewhere in Africa. But it was a pain in the neck. You had certain people in the mission who just loved the concept of doing it and there was no way that they were going to shut it down because it was attractive to them. Here was this novel thing. You had to tell them, "Look, it's not working. Gauges are missing. It's corrosive. How are you going to process this? Where are they going to get the wherewithal to do it?"

*Q: Were there other projects that were working or not working that you-*

ZAK: Some of the training projects were working up at Greenhill, with the Ghana Institute of Management of Public Administration. One of the funniest stories: We had to do a CDSS (Country Development Strategy Statement). It was very clear. We had various divisions. So, we had the overall section, we parceled it out, and everyone agreed to do their section. Well, the agriculturalists, who normally need to tell you with precise order that if you want to get a crop, what you have to do, could not come up with their section of the CDSS. It was just a bunch of mishmash of things. It was presented to us at the last minute as an afterthought. The Office of Development Administration did the same thing. The Office of Science and Technology, which had women and development, gave us some stuff which was totally useless. The only office which we had reasonable input from was health and population.

*Q: That sounds like an interesting structure though because I don't think many missions had development administration and science and technology units, did they?*

ZAK: No.

*Q: But this was a condition of the office or a condition of the circumstances in which they were trying to work?*

ZAK: Partially, I think it was a function of the people who were there. I mean, you could write up something saying, "Hey, listen, we have limited opportunities in this sector because of the following constraints. Therefore, we propose the following." You didn't get that. You had everyone trying to continue their activities without any rhyme or reason. So, you would not get anything hard-

*Q: Given the circumstances.*

ZAK: Yes. People basically didn't want to lose their jobs. We had a meeting with the director (I think it was Coker at the time) and basically told him that the performance of some of the divisions left a lot to be desired. Basically, they were non-performers. So, he cracked the whip on them. We got something, which was still totally inadequate. He was still a little doubtful, Coker, as to what was going on. So, we pulled one of our famous tricks. One of my staff used to subscribe to Playboy, which anecdotally was very popular in Ghana because everyone read it. You couldn't buy it. So, we developed a circulation list of having maybe 15 people on our Playboy subscription list, including Mary Chinery-Hesse; not Joe Abbey, but others at the principal secretary level. It went around the government. Once in a while, we'd get a call saying, "I haven't seen my Playboy for a while." Then, we'd have to call up the person before saying, "Gee, we just had a complaint from the next person on the list. It's sort of a shame that you didn't get it to him, but under the circumstances, we have to cut you from the list." They'd come up with an excuse: it's lost, it went age. You can figure that one out. Anyway, several days later, guess what mysteriously happened? The missing Playboy showed up. So, what we did was, in the next version of the CDSS, we selectively introduced copies of the Playboy Forum, which is a question and answer thing, into the technical sections. We sent it back to the divisions. Coker blew a gasket when he saw what happened. We'd get it back with a note: "This looks fine to us." They didn't even realize what we had introduced into that section. So, the division chief didn't even read it. I think that's when all hell broke loose. Irv put his foot down and said, "Hey, you guys are just going to have to contribute. The Program Office cannot do this all by itself." That was more in mission management.

One of the problems we had was, at that point, I think, the Africa Bureau started defining that missions can have delegations of authority if you had a core staff of a program officer, a project officer, a controller, I don't know what else.

*Q: A technical person and so on.*

ZAK: We ran into problems. My deputy and I, from other incarnations, had rather extensive loan experience. I did not want to backstop '94 for loan officer. We ran into a maelstrom, saying they would not give us the delegation of authority unless we delegated a position for that. I just think that was very poor management on the part of the Africa Bureau. Also, trade union craftship on the part of the nascent Project Development

Office. We eventually got someone who wasn't really very competent.

*Q: In the circumstances, you need a loan officer.*

ZAK: Yes, but we had a loan project. MIDAS had a loan component. You still needed someone to write PILS and that sort of thing to satisfy. Remember, at that point, the documentation became unifying. So, the grant and loan documentation were basically the same. You needed someone to clear project implementation letters, conditions precedent for this, that or the other thing. I just felt, and my deputy felt, that it was very shortsighted. Also, it's empire building on the part of the folks in whatever the Project Office was in Washington. That left a very bitter taste in my mouth. That's why the Africa Bureau had the reputation of being less developed, like its continent -- not looking forward, but looking very territorially. You have to have a backstop '94, or else you cannot do it. It did not recognize the skills that people had, which was not the way the LA Bureau was going and not the way we worked in Panama. But so be it.

*Q: Well, you were still in a decline period. When did the realization sink in about whether it was worth continuing?*

ZAK: The real severe cuts happened when what was supposed to be the second loan tranche in MIDAS wasn't approved.

*Q: What year was this?*

ZAK: Probably 1979, '80, thereabouts. The technology project was approved in a scaled back manner. We were not encouraged to submit many new starts. But no massive reduction of the current portfolio, some of which would have naturally petered out in two to three years. This hostile reaction in Washington to scaling back on centrally and regionally funded projects which made no economic developmental or any other sense, except to the beneficiaries who were ripping off the system. We found that in one case, I went to visit friends who were pharmacists. They invited us over for dinner. Their whole corridor was full of condoms which we had donated to the Ghana National Family Planning Council. We had to call in to the auditors. Then, we also found out that the head of the GNFPC was donating to his staff boxes of condoms to sell to raise money for their Christmas bonus. Even with a reasonable organization, you became very depressed, but really there wasn't too much that you could do.

*Q: The environment was just so anti-development.*

ZAK: Anti-development. You know, from a human point of view, obviously, the technicians involved, besides wanting to survive and keep their job and not have to move, I'm sure were very touched by this. But at some point, someone's got to have the strength to say, "Reality is reality and until the thing does turn around, we should cut the suit."

*Q: Did you feel that there was State Department pressure to keep the program alive?*

ZAK: I didn't really feel that at all. I don't think anyone had a love for Rawlings. He was moving in all sorts of irrational directions, much like the Limann government in terms of having every month a forestry initiative, a gold initiative. You name it, they had it. But there were no resources behind it, both human or financial. I think it took a change in the directors with a mandate to the new one saying, "You have to get it down. You have to get it down" and then bringing in a deputy who was also told the same thing. Then we started successfully evaluating the portfolio and moving it.

*Q: What kind of criteria did you have for what to preserve, as opposed to what to cut out?*

ZAK: One of the things, you wanted to look at the kind of investment that you had, that you wouldn't lose the investment. Like if we were doing something in health, what had we done, where had we gone, what is going to be least affected if we were going to continue and what areas? In what areas would it not make any sense to do it because they cannot meet their commitments? The same thing with MIDAS. It had what, extension and research (it had like seven parts), input, seed, credit, working with women's groups. So, I think we got out of them over a period and got down to like one or two. Even those were at a much smaller scale. The resource transfer basically stopped.

A lot of the resource transfer which we had to contend with was the counterpart which was generated from the sale of PL480 commodities for the organization which would run the fertilizer entity. We finally got the silos built, but nothing happened. I mean, it was a white elephant, so to speak.

*Q: The inflation factor just sort of undercut a lot of the ability to do anything effective, I suppose*

ZAK: People basically were worried about their next meal, not about development. Even for our own employees, we had to develop a list of (we worked it out collaboratively) with 50 essential commodities, which we sent embassy trucks down to Lomé once a month to pick up. The employees had to agree to an equitable distribution of the stuff, which was its own set of problems.

*Q: This was donated to the employees?*

ZAK: No, we took the money out of their paycheck and sent a truck down to Lomé. The ambassador tried to get the Ghanaians to accept customs duties on it because he felt that would be the right thing, but they said, "They're not really interested in that. You want to do it, just go do it." But when your whole embassy was structured on trying to keep its employees focused on work and development by having the system for 50 essential commodities, which ranged from toilet paper to sardines to toothpaste, you name it, there were like 50 commodities and you could buy any or all of them each month. It became a major administrative nightmare. You had to set up things in the warehouse to actually do this stuff.

We had political problems when the students started demonstrating. As you recall, the embassy was located in the ministries area and it was a very aesthetically pleasing building, full of mahogany and tropical wood, but to call it even minimal security would be a joke. They kept on accusing us of being a CIA outpost. They wanted us out of there. Eventually, I don't know if we sold it or what, but we closed it down. I think there was a period of several months where AID went out of business. We were on the ring road east and the embassy basically took over the former AID building. That was interesting.

*Q: But you felt that we hung on too long in the hopes of change?*

ZAK: Yes.

*Q: Or did we find it politically necessary to sort of maintain some linkage?*

ZAK: They didn't have too many friends anywhere because no one was liking what was going on, particularly when the young folks started shooting former officers and leaders on the beach. This did not go down well because everyone considered the Ghanaians a notch or two certainly above the Nigerians and not a group of citizens that sought violent solutions. We were just abhorred by that, as were many of the Ghanaians. I just think it's just a natural thing human beings to try to hang on to things. But we really weren't contributing to anything except putting off judgment day. I guess my view was that the further we withdraw to something which is small and rational, but have a definite base and let them know what we'd be willing to do if they're willing to do things, that probably would have been a better medicine. They had no options. You knew they were going to have to do something eventually. You can print money, but there were no resources behind it. Production kept on dropping and the situation kept on getting worse and worse and worse. We had a PL480 program, Title II, which was seeded with selected people. So, that provided something of a social safety net. But there was no way you could increase that very much because it was against definite criteria, I think, relating more to draughts and things like that, rather than to, "Gee, we messed up our economy." So, it was a fascinating period, working in a country that had gone from middle LDC status back to the backwaters.

*Q: Did you find anything during your time there that carried forward from earlier programs that you thought made an impact?*

ZAK: Well, we were using the results of DANFA because DANFA generated- That was a study thing for population/rural health.

*Q: A research project.*

ZAK: Right. That provided a wealth of information. So, you could go on forever and ever and get more information and try to do things. I think health and population tended to leave a lasting thing. The people we trained a lot in agriculture just disappeared. So, whether they've come back now or not, I don't know. There were a few good people that stuck it out and decided they were going to stick it out in the Ministry of Planning, but

basically they had no power. They were nice people. They knew what needed to be done, but they weren't the decision makers.

*Q: Was there any philosophy or concept behind the ruling party's leadership of the government? Was there any particular view that they were trying to look at policy?*

ZAK: Rawlings, it later turned out, really was somewhat anti-Western, but he had some real tough people on his staff, who were anti-Western. We had to tell the Ghanaians, "The world doesn't owe you anything because you're friendly and you smile. That doesn't count for anything. You're going to have to perform." That was one of the lessons I always gave my counterparts. They understood what the issues were. But, as I say, it was run out of a very small clique in the Castle Osu. We got a lot of bad press because it was a lot of anti-American diatribe. We suspect that the former Soviet Union folks were responsible for that. But the Ghanaians were always a very funny people because, you remember a lot of the demonstrations where they decided which embassies they were going to hit up and give you a document, but they couldn't even get that straight. So, we got the German document. The Germans got the Nigerian document. The Nigerians got our document. So, it was always a joke a minute.

*Q: Well, is there anything else on your Ghana experience that you want to bring out?*

ZAK: Oh, I had a good time.

*Q: Did you find life in Accra not that difficult, given the circumstances?*

ZAK: Well, we used to go down once a month to Lomé. We had a reasonably stocked commissary. We went down to Lomé like once a month or once every six weeks to get things which you couldn't get locally, particularly on dairy products and French bread. You know, we had to eat that good stuff. The local bread was like sawdust. We had problems with power. We had problems with the water supply because the pumping station kept on breaking down. So, it was modestly uncomfortable from time to time, but we had good Ghanaian friends and participated with various local institutions. I did a lot of traveling. I liked Ghanaian art and music. We had some good friends who were in the beer industry, so we had no problem getting the beer.

*Q: Well, let's move on from there.*

*Where did you go from there?*

### **Work with the Center for Development Information and Evaluation - 1982**

ZAK: I finished up from there in late 1982. -At the time when people in the Office of Evaluation of AID had engineered GAO to do an audit, which was saying, "You've got all this wealth of development information which is not being used. You ought to do a better job applying the results of evaluation to your forward programming." That GAO report had just come out. Of course, the people in AID had helped engineer it. The people

who were heading the office, I think it was Molly Hageboeck and Dick Blue, were close to the assistant administrator and to the administrator, particularly Molly. She wanted me to come there. I didn't want to come there, but I lost the battle, so I came there. The first year, it was fun.

*Q: How long were you there?*

ZAK: Four and a half years.

*Q: Did you work on any particular evaluations?*

ZAK: Well, they sent me off on one for seed multiplication in Tanzania, which I thought was interesting. Tanzania was my first post and it was nice to go back to see what was happening.

*Q: What were your findings of your evaluation of that?*

ZAK: They were reasonable. The Tanzanians, even though they were also under terrible hardship, had done a reasonable job. Unlike the Ghanaians, who ran at the first sign of economic decline or trouble, the Tanzanians tended not to be as mobile by a factor of I don't know what. They tended to stay there and try to work at the wheel and try to get things done. So, many of the people I had known close to 18 years before were still there. A lot of them had been trained by us and they were still there trying to get things done under very adverse circumstances. They were doing a reasonable, quite creditable job. That was really good to see. Compared to the Ghanaians, as I said, when things went wrong, they got a ticket to London or to the UN or somewhere else in Africa working for a UN agency. I was glad to see that the Tanzanians- in the first period I was there tended to be very shy and wary and not particularly comfortable with foreigners; here now, their English skills were great, they related professionally very well, they were technically proficient, they were up to date, they had done their networking. It was a pleasure to see how far they had come in around 18 years.

I think that was 1984. The U.S. was considering what to do about replenishment of the IFAD fund. If I recall correctly, there was some rather serious concern on the part of people on the Hill about that. IFAD had made a loan to, I think, Vietnam for \$20-25 million. This was considered heresy at that time, given that we had not fully gotten over our involvement there. So, to put things on a professional basis, it was decided we'd go out and see how well IFAD was meeting its mandate of working with the poorest of the poor and impact and were they really operating as a lean and mean organization, or relying upon the World Bank and the regional development bank staffs for most of their project development, project analysis capabilities. So, I went out with a team which went out to Indonesia and the Philippines to talk to the Asian Development Bank and to Thailand. I think the report came out positive. Subsequently, we went ahead and did pump more money in.

*Q: What about the findings from your part of the study about the IFAD project, apart*



*from the overall study?*

ZAK: The biggest challenge was, of course, in Indonesia, where thanks to overpopulation in Java they had this government department. I don't know how you translate it into English. It was called, "Transmigrasi." I would maybe guess that means "Internal Immigration." They basically took people from Java and tried to resettle them on Kalimantan, which was a big island, which looks like a horse's head, and/or southern Sumatra. Being that the soils were all tropical soils, you had problems as to what you really could do in terms of agriculture. So, a heavy component was not only agriculture and to give the people something to live on during the year or so in which they had their first crop, but also to provide livestock. In livestock, you had all sorts of problems of moving cattle, cattle diseases and disease vectors which could spread. That was a very big component. By the time we had gone, the Indonesians had settled easily a million people. So, they were pretty hep at it. Basically, they had gotten money to settle some really poor people in Java on Kalimantan in southern Sumatra. We were looking at what the environmental damage was or wasn't on these fragile soils, how successful they were in integrating livestock with traditional things that people had done, how happy the people were or weren't. There was supposed to be repayment from the first calving, that they would give a calf or two back to the government, who then would give this to another settler. So, basically, how well this repayment system was going.

*Q: Did you find the program was working?*

ZAK: Yes, and for a developing country it was a project with many things which needed to be integrated, done at the right time, or else you'd have failure and the failure meant people might starve. We were impressed with the number of dedicated people who were actually involved in this. I never met on any major scale, Indonesians before, but they looked quite competent, quite energized, realizing the importance of this and it worked. You had the usual problem. I don't know how wide the Indonesian archipelago is, but it's probably easily 2,000 miles. So, you're shifting people between islands where communications, they may be better now than they were then, but basically, they didn't have any great satellite system linking them. To pull off and all the logistics that were involved. It was really, by any standard, quite impressive. If you consider that they moved over a million people, that was a drop in the bucket because there are supposed to be like 80 million people on little Java. But every little bit helped.

*Q: Were there other activities that you were engaged in?*

ZAK: Well, what Dick Blue and Molly brought me in to do was to basically try to get people to use- They had two offices at the time. One was in evaluation. One was dealing with studies, which was just studies. It didn't necessarily relate to anything that anyone was interested in. They did stuff on irrigation. They had a big conference on irrigation, PL480, when we were basically getting out of irrigation and moving on to other things. Now, the lessons were very useful and the conference was very successful, but I'm not sure where the payoff was. But the other thing was, in the GAO report, to bring development information into the fold. That proved to me to be very difficult because, I

guess, the folks over there had been pushed around so much in their prior incarnation, chained, starved, whatever it was, over in S&T, so they just didn't want to trust anyone who was outside.

*Q: The development information people.*

ZAK: So, this presented a problem. For example, when I was in Ghana, they had decided that they were going to equip every mission with microfiche readers to cut down on costs of paper and shipping of paper. This was in the pre-computer revolution days. They wanted to encourage people to use fiches, of course, but they didn't ask people the simple question: where do you read these documents? It was quite unsophisticated at that point. Basically, you had to figure out what documents you wanted. They didn't have anything which would package anything in a customized package. So, we had lots of fights with them because they kept on saying, "You guys in Ghana are asking for all sorts of papers. We want to send it to you only in fiche and not paper." I sent them back a note saying, "Look, I do my reading of these papers which you send me either at my house or at the beach. I don't think you can have a microfiche reader at the beach. You can't tell me that I should go on a weekend at my time and read this stuff because I'm just not going to do it. But I'll read a document at the beach." So, it was totally out of control.

They just had, I think, a siege mentality, that people were out to get them, rather than to try to bring them out of their sufferings of the past, where they got changed from general information to technical information and back and forth and back and forth and starved for funds. So that created its own set of problems with them. They also had a staff which, I would say, most of them were marginal performers or not equipped to the task which it was decided we wanted to move. So, you had a problem. You had a fixed staff, who were civil servants, but weren't able to perform in a way you wanted to, move in a smart way and a smart use of information. I just didn't find that was very useful. The leadership of the office reflected that. They were, I would think, rather thin-skinned and did not want to hear criticism about what the real world was using. Plus, their view is, "We have technical solutions to information problems." I said, "Well, technical solutions can only go so far. You've got to know what your consumer wants and how the person wants it." Now, with today's stuff, with computers, you don't have that great problem. Clearly, they had a problem that if you wanted something quick, it was impossible to get. You'd probably have to use, and I think they were just starting up then, these courier services. But you couldn't get anything assembled and out in less than a month. If you were in a place which didn't get served by an airline pretty regularly, or pouch, you'd get stuff when you didn't need it. Even then, you wouldn't get what you needed.

*Q: Apart from the mechanical and administrative problems, do you have any views about the importance of having a development information function?*

ZAK: I always felt it was important, particularly if you could get it to people in the right way, in the right package, at the right time. You had to know that you had different audiences and different audiences had different needs and to be serviced accordingly. But you had to have also a top down approach from top management, in saying that you were

going to use this stuff rather than ignoring it. Too much of what went on, even though when the A.A. said, "Yes, this is important," when you'd go to the actual program or project review, you'd get silly papers which clearly anyone who had a general knowledge. You didn't even have to know specifically about a specific area, saying, "This is a non-starter." Basically, someone sat down and scrawled something on the back of a newspaper and wrote a project paper without consulting what worked, what didn't work, why, or learning from someone else's experience, which may give you insights on what you want to do in terms of a novel approach. So, I think, you needed support from the top and a continual support, and I don't think we ever got it. It was a passing fad. Some bureaus were better than others. The Asia Bureau, I think, did a much better job. LAC? Not really. They couldn't care less. Some people in Africa because of the problems with communications were just so expert at going out in the middle of nowhere and popping a paper within a week, but basically they fudged it on certain elements. I think there was a loss to the system in terms of operational experience, in terms of not committing the same mistake, not learning about new novel approaches and just basically the whole thing of learning. I'm not the kind of person who's going to insist that you have to recite a litany of what you cited and what you used, but at least give some sort of semblance that you know that you're part of a larger world and that there are other things going on. It wasn't that you couldn't get the information. People decided it wasn't important. They could get away with it because no one was going to ding them for not doing it.

*Q: Well, when did you finish up that assignment?*

### **New assignment in Burkina Faso - 1987**

ZAK: I think it was 1987. I went off for French language training and then went off to the land of do, re, mi, Burkina Faso, where we had several years prior a rather charismatic leader who pulled a coup against a democratically elected government: Thomas Sankara.

A year before, in '87 or '86, he got assassinated by a counter-coup. Sankara was sort of leftist-leaning. A lot of the slogans of the Cuban Revolution wound up in French. What was the famous Cuban slogan? "Patria o muerte venceremos" "Fatherland or death, we will conquer." It came out in French, "La patrie ou la mort, nous vaincrons," which really sounds funny in French. If you ask the average Burkina, you get a "Huh? What is that?" Anyway, he embarked on a populist campaign, which had a heavy dose of anti-Americanism. When I got there in '88, there was the downing of the jet over Libya. They really went vituperous. The Libyan Press Agency which had put out and published it. So, we had to withdraw our ambassador. Now, I think we always will allow foreign governments to criticize us, but there are proper ways to criticize us in a sense, and there are ways which are totally irresponsible. The Burkinabe, unfortunately, didn't learn about world politics and did it in a way which was very insulting. So, we withdrew our ambassador as a way of trying to bring them back to their senses. But it always was a rocky relationship because you had this leftist, populist -- I don't know how much was influenced by some of the French radicals, who basically were coffee circle or beer-drinking circle in an African sense, but not practitioners of statecraft. So, we always had a

rocky relationship with them. But in general, I found the Burkinabe, particularly where we had to work with them, being that they had virtually nothing in the way of natural resources, the only resources they had were themselves as a people, they tended to be much more serious and hard working than the Ghanaians, who basically, particularly if you lived in the tropical areas, could pluck palm fruit or a plantain and basically didn't have to work too hard to survive. These people really had to work their rear ends off to survive. They tended to be serious performers for the ones that we had to work with. I was very impressed. We had a small program.

*Q: What was the thrust of the program?*

ZAK: A lot of it was, we had an ongoing health and population program. Unlike the Ghanaians, who had announced a health population policy and then basically then sat on their rear ends and did nothing to implement it, but said, "We had it," the Burkinabe were really working hard to extend primary health care throughout the country, to get volunteerism in in terms of community pharmacies and working on things which made a lot of economic sense in that environment. So, what we were doing in health planning and in population was a success, but I think our project manager was also one of these types who is very infectious and helped that out a lot.

*Q: What were some of the more specifics about that health/population project?*

ZAK: We introduced family planning. You basically had the urban bourgeoisie in Ouagadougou. It was basically urban based. The government basically had no extension into, let alone couldn't get to, rural areas. So, we had a reasonable target in terms of population coverage for contraception and we met all those targets. In fact, we exceeded them.

*Q: These were based in centers that were a combination of health and family planning?*

ZAK: Right, in Ouagadougou. We financed some of them, but they built a lot through the European Union and the Dutch who were pretty big there, and Canadian funds. A lot of health care prevention. They had a reasonable system of health statistics. They knew what was going on. Health education and health promotion. Outside that area, we were starting a program in applied agricultural research. I think, the mission had wanted something far more blown up than that. It was just before I came. For all sorts of reasons, including the political dimension, it was decided to limit it to ag research. We set up, I think, a reasonable program with the University of Ouagadougou and the Ministry of Agriculture to get them into applied research as opposed to theoretical research.

*Q: What kind of examples of applied research are we talking about?*

ZAK: They had a tie in, for example, with some of the Organization of African Unity Institutions. Basically, it was a regional ag research organization covering both francophone and Anglophone Africa.

*Q: This wasn't run by IITA?*

ZAK: No. We had a linkage with IITA as we did with all countries. No, it was based out of Ouagadougou. I forget the name of it. We were funding it. The director general was a minister from Niger. They did a lot of giving us the germ plasm. How do you do research in agriculture? What are the needs of the farmers? How do you prepare packages of technology? What is the farmer technology? What should it be? What are good things which can be adapted? You had different parts. You had a lot of work was done in Bobo-Dioulasso, which was in the western part of the country, which tended to have more forest and be heavily into cotton. Then, you had the subsistence farmer. It was realized that it would be a long-haul project of at least five to seven years. I have no idea where the project is. I was there for two years when it got started. It was moving along quite well. We were training people. People seemed to be quite committed. It was a refreshing change from the Ghanaians.

*Q: Were you aware that you were part of the Sahel Development Program? Because Burkina Faso was part of it?*

ZAK: I think we were at the tail end of that thing. One thing I thought really very useful was the Famine Early Warning System (FEWS). Some of the regional hydrological organizations for francophone Africa were located in Ouagadougou, as well as a thing which basically applied satellite mapping.

*Q: Agrément.*

ZAK: Yes. That didn't work very well, but the FEWS program, they were very diligent about and we were able to get excellent data, excellent cooperation from the Burkinabe. If they could just get their politics straight, we could have a much larger program, but they never did get their politics straight. I guess it was just after I left, maybe a year later, they decided to close the mission down because they did something else.

*Q: This was also the base for CILSS, the Africa Sahel regional office? Did you have any contact with them?*

ZAK: Oh, yes.

*Q: What was your relationship to them?*

ZAK: Well, the responsibility for project management was in the ag office. But we met with them once a month. We had someone who was working with them directly as a project manager. I think he was a Dutch national. We had several people working as PSCs in CILSS to help them improve their financial and administrative management.

*Q: Was CILSS trying to do anything specific in Burkina Faso?*

ZAK: My mind is blank on that. FEWS was a success. A year or so after I left, it was

decided (I don't know what brought it on) to close the mission down. I guess it's closed by now.

*Q: Right. But you did feel that there was some impact from the health and family planning and some of the agriculture?*

ZAK: Their level of development was just at such a low level that you could only go up. As I said, I felt that they were very appreciative of anything you did because they had so little and they were determined to make a go of it.

*Q: How was it working with, say, the Ministry of Health?*

ZAK: No problem, it was a technical ministry.

*Q: It was reasonably effective?*

ZAK: Yes, I thought so. And I think the health people thought so because it was seen as a success in terms of at least doing things in birth control and family planning, whatever you want, in the francophone African context. That was not something which the French particularly supported, family planning.

*Q: Was a different approach required because of the francophone context?*

ZAK: I think it was good people in the ministry and having a good technical staff in AID. They pulled it off. Some of the people on the AID staff were really charismatic and were very dedicated, as opposed to some of the project managers in Ghana, who were good party-givers and good talkers and good back-slappers, but when push came to shove, they couldn't write a CDSS, they couldn't tell you a strategy. If you did that in Burkina, you didn't have that problem. People knew what to produce, how to produce, and you got what you wanted. It was usually superb the first time around. Plus, it was a small post, which was relatively isolated. Morale was quite good. I enjoy every post I'm in. I mean, people say I'm insane for even enjoying Nigeria, but I said I did. What can I tell you?

*Q: Well, anything more on Burkina Faso at this point?*

ZAK: No.

*Q: You finished up there in what year?*

ZAK: Late '90.

*Q: And what was the next assignment?*

### **Attended the Development Studies Program - 1990**

ZAK: To take home leave and to go to the DSP.

*Q: Development Studies Program.*

ZAK: Yes. Personnel said, “You hadn’t had that. You need to do that. You need to get your union card.”

*Q: How did you find that program?*

ZAK: It had gone through a lot of iterations by that time, so many of the kinks had been worked out. I found it exciting to go back and see what, basically, academics and practitioners like those in the World Bank were thinking. It was run, at that point, I believe under contract with American University. So, you had a pretty good academic input. What was most useful to me was the literature that I got in the course. Sitting overseas for most of my career, you may read a few magazines, but you don’t get the full synergy of what’s going on in particular topics. So, they provided us with state of the art in terms of articles, references, names of people, and basically updated what I had in college and I had at FSI years and years before. So, from that point of view, it was a very well-organized, very well-run course.

*Q: Was there any particular development concept that they were presenting or was it just a general course?*

ZAK: No, I think, it was just general things. Some of the things I knew. They touched on issues - not very deeply because I don’t think the literature was very developed at the time I was interested in political development, social development, civic development. It really went light on that. You had to write several papers.

*Q: What did you write on?*

ZAK: I chose Burkina because I knew the country. I wanted to see what would happen if we would apply what I knew there to what they were teaching. They had some various economic growth models and taught you how to use statistics on the computer. So, we were able to do all sorts of interesting correlations and analyses. The aim was to get people to think about economic reform. What does it take? How do you bring it about? What happens when you have a partial or not?

*Q: How long was the course?*

ZAK: Don’t quote me on it, but I think either six or seven weeks.

*Q: And then you had another assignment from then?*

ZAK: Yes. While I was there, they were looking for people to go to Eastern Europe.

*Q: This must have been 1990?*

## Work in Yugoslavia during its breakup - 1990

ZAK: Yes. I got tapped, after talking around, to go to Yugoslavia. So, I went out there, first on a TDY basis. This was while it was still Yugoslavia. I went out there in February.

*Q: What was your position?*

ZAK: Well, at first, the State people did not know what they wanted to do. In January of '91, somehow it got into the Yugoslav and the U.S. press that "the CIA predicts that Yugoslavia will disintegrate in one year." So, you had a country team which was very good, and they didn't know if they wanted an AID office or not. They wanted to get some AID things started. So, my instructions were to go out and see what they wanted and come back and report. So, I would go out for three months, four months at a time. Somewhere along the way, they had a mess going on in Bulgaria, where they had just opened up the office, and the AID representative had to come back to the U.S., clear up his things and come out. I had to go up to Bulgaria for like two months to run things out of there. Eventually, I came back to Belgrade; came back to the States. The DAA was very concerned that "Where's this cable asking that they establish an AID office? We want a cable to that." The ambassador was not the problem. It was the DCM, who, shall we say, you come up two ways in State. One is through the administrative side and the other is through the policy side. Well, this DCM came up through the administrative side. If you ever were in a mission where you had to write memos to do everything, you had to do that. You couldn't move left or right without writing, figuratively, a memo. He just felt the situation was too dicey, and things were starting to fall apart, to have an office there. So, I had the task of putting the screws on the folks there and saying, "Look, all the more reason you need an office. If you have a conflict, you're going to need to get involved with humanitarian issues. Best to know what's going on before Humpty Dumpty falls apart." We had started some small projects there.

*Q: What kind of projects?*

ZAK: We started having IESC (International Executive Service Corps) come out to bring some executives to select the plants to help them improve their efficiency. The bureau had what they called the "energy efficiency project" throughout the region. What they did was send out a team to show - at that point, in none of these countries was energy being charged through cost, so energy was consumed like free air. So, what they did in each country was say, "We'll go. You select certain kinds of plants. We'll go out. We've got the cooperation of U.S. industry. We'll suggest how with a modest investment in equipment- First of all, you'll meter how much energy you're using." Most places did not meter it, so they had no idea what their energy consumption was. It just came in off the big pipeline. "Also, we can suggest some machinery changes or design changes which would approve the efficiency of the operation." So, since Yugoslavia had six republics at the time, we agreed we would do one plant in each republic. One of the things I had to do was go around and select it. So, we did a pharmaceutical plant, which isn't water intensive. Most of the people got their heat and steam through what they call their district heating plant, which basically was like a big electricity generation thing, which provided



heat through underground or aboveground tubes to buildings. That's how you got your heat. We had a request to do a beer plant, but we said that would not pass muster. So, we basically selected six different plants. We were at the point of being ready to import the equipment to actually implement the program when Humpty Dumpty fell apart.

We had a big research study with the Economics Institute in Belgrade and with the Federal Ministry (because it was a federation, although a weak federal system) of Commerce on privatization options. Basically, we brought in an economist who had some three years' experience in New Zealand in privatizing. Basically, he was doing a study on the Yugoslav system, which is different from the rest of the Eastern European system. They had this system where no one owned anything and everyone owned everything at the same point. It wasn't where the state owned it. The state virtually owned nothing. It probably owned only the buildings and the cars that it had. But it was worker participation. It was not a typical variant that you could apply from somewhere. To do privatization, first you had to establish ownership to then privatize. When you had the concept that society as a whole owns it, that's a very amorphous concept you can't really touch. So, we had to tackle that issue and then try to suggest in the Yugoslav context what made sense. In all of these places you had the big problem with the incestuous relationship between enterprises and banks. The banks basically owned the enterprises because a lot of them were just bankrupt.

You also had the problem with the pension system. The state didn't run the pension systems, but they were run through these enterprises. The enterprises needed the money to pay the pensions, but didn't have the money to pay the pensions. So, you had all sorts of things.

Then you had the normal inequities. Let's say you had this enterprise, again, socially owned, which was a steel plant. Let's say it was a white elephant or an albatross and it was losing money. Let's say down the road you have this company which made chocolates. The chocolate one was very profitable. You had to handle issues of equity if you wanted to do anything. So, you had a worker who worked 30 years in the chocolate factory and another who worked 30 years in the iron and steel works. How do you create assets for them? Well, the chocolate factory is no problem. The person probably could get an asset which was worth something and flog it and also get a nice retirement. But the bankrupt steel mill, the worker would get a worthless asset and you wouldn't get any money to pay his pension. Then you create this inequality in society where both workers had worked an equal length of time (and let's assume they were all diligent workers) and through no fault of their own, one worker in a profit-making organization, one in a losing one. How do you then transfer property that you maintain a sense of equity? This was just one example. You had to think out lots and lots of these things and linkages. But several months after being in Yugo, there was the Nickels Amendment (I think it was Senator Nickels from Oklahoma), which restricted us to humanitarian and social, read political, development things.

*Q: Why was there that limit?*

ZAK: Because they started violating human rights.

*Q: Were you aware of that when you were there?*

ZAK: Yes. Basically, we got told that we can't do anything new. The mandate of the Eastern European program was divided into three areas. One was economic restructuring, broadly construed as financial and enterprise level. The second part was looking at issues of democratic governance. We were trying to promote anything which would establish democratic institutions. The third part was emergency humanitarian relief, which was basically saying, "We need to grease the skids to do the other two and we need to provide something of a social safety net. So, let's do something in housing and maybe health. But on an emergency basis." So, basically, we were told, "You can do the democratic stuff and you can do the humanitarian," but because of their violations, you had to get out of the economic. It was fun and games. Basically, the bureau didn't know what to do. We had some of the project managers who didn't have extensive AID experience who called me up (didn't dare put it in writing), saying, "Hey, you have to close that project down" (this one on doing this big study) "because Nickels said this." That's where I said, "Go to CDIE and ask them for this because for this Bureau this may be the first time that it is happened." But I said, I think that you are giving me incorrect advice and if you put it in writing we'll resist. But do yourself a favor, call them up and ask them to at least look at some of the things we did when we had problems with the International Petroleum Company, an Exxon subsidiary in Peru, where we have had to do that. I said my recollection was you just don't "close out things" within 24 hours. What you do is have an orderly draw-down. You don't do anything new. But certainly the US government has had a significant investment in doing this and you don't want to lose the investment. You basically want to consolidate what you have and finish what you started off in an orderly manner. And I said if you go back you may find that to be the case.

Well, the fight went on for several weeks. We finally won because basically we had the Ambassador call up and saying, "You guys are too chicken to put it in writing but you always call up Mike to do this and do that..well knock it off!"

*Q: You are talking about the contractors now?*

ZAK: It was the people from the desk in the geographical, the geographic part of the Bureau which was calling me and telling me that. They never would send a cable or instruction. And they were getting very impatient with me. Finally, I had to go to the Ambassador and he had to call up the AA and it got resolved. Because really they were wrong. And I just happened to remember what we did in Peru. And it turned out I was right. But the program was very political. It was still relatively new. It had been around for a year and a half. The top leadership was political...they wanted to do it right.

*Q: How was it working, with mainly the Serbian government?*

ZAK: I was located in Belgrade and you had two governments there. Yugoslavia was a Federation with a federal system that you could fit the whole federal establishment into

less than probably a building the size of the State Department building. That is how many officials it had. It had certain areas where it had concurrent jurisdiction with the republics. Starting off in 1978 the republics got a lot of autonomy. The republican governments had their own Ministry of Foreign Affairs. Had their own Ministry of Finance and their own Ministry of Economic Planning. And some time they were quite extensive.

So, one of the reasons that they didn't have that much of a problem when the place broke up is they basically had the rudiments of the governmental structure in place, which they could transfer to a national government. Certainly they didn't have a Ministry of Foreign Affairs but they had something which dealt with external relations. And there were certain things like customs and certain economic and privatization policy was considered a federal initiative. And we were working at the time with the federal Prime Minister, Ante Marković, who was basically pro-market reform. So this study was going to support him presumably and presumably the economics would lead to the resolution of the political issues.

So we worked with the Federal Ministries. Sometimes we worked with the Serbian Ministry if we were trying to deal with privatization in Serbia because in addition...the federal legislation was the enabling legislation. But then implementing that, you have to have the constituent republics do their own thing. The Slovenes had a law early on because they are very, very market oriented. They always have been. A small country of small groups of about 2 million people. And the further south you went the more "Third World-ish" it became. You came to Macedonia which was really quite: "what is privatization?"

And basically you had to go through a primer with them on that. We started to work -- depending upon what people wanted -- and the economics officer from the Embassy and I went around and visited the various republics.

This gave me a feel of knowing who the officials are and the state of play in each place and the level of development and what their interests were. Prior to there being anything with AID, the "modus-operandi" for cooperation in Eastern Europe was through a big program in Yugoslavia with each of the republics involving science cooperation. Because you couldn't have a dialogue with them on economics but science was fine. And they had good scientists and they could work with US agencies and we'd get a break and they'd get a break.

*Q: We were funding a program in science?*

ZAK: A science program. It was the State Department. So there was that existing thing...of working with the US which we were able to expand upon. So, we traveled around the country. We got to meet a lot of the people who counted and take things from there. The trouble started in August, late July or early August of 1991, when the Yugoslav Army created some havoc in crossing the Danube into what was Croatia. You started a refugee out-flow and I would call it the "phony war" period. So, we got derailed.

We weren't going to do anything too much.

*Q: Were you aware of the ethnic tensions at that time?*

ZAK: Oh, yeah. You could see it in the federal government. The names all sound the same so you have to figure out whom you are talking to as to where their sympathies lie. The Serbs have this concept of history as something which happened 700-800 years ago is as vivid as if it happened five minutes ago. And had this famous battle of Kosovo on the plains of Kosovo which is now basically populated by ethnic Albanians in which they lost the battle. The Turks beat the "bejeebers" out of them. It was the year 1300 something. But this is a big event in their life and it has obviously scarred them forever and ever and ever. And you had to show proper respect for it. Of course, the Croats thought it was a big joke.

For the Slovenes the standard of living was three times as high in the north as it was in the south. And they had a revenue sharing concept for customs duties to help fund the federal government. I don't believe there was a federal income tax. There were republican income taxes and the republics were supposed to turn over some money to help fund the Army which was the National Army.

Beyond that, beyond the customs revenues, the federal bureaucracy was beholden to the republics transferring money for their survival financially. They also set up a fund way back when for the development of less developed regions of the country. So, it was much like in Italy. Italy had a big fund which transferred assets out of the northern provinces down to the southern ones. The usual stories about waste, corruption and white elephants that everyone had to have their steel mill, whether it made sense; everyone had to have their oil refinery whether it made sense; everyone had to have their major international airport whether it made sense. That started breaking down in the Yugoslavia experience when people up in the north of the country said, "Wait a minute. We're not getting anything from these funds transfers" and then you guys, Serbia, are busy shouting at us." So they basically said, "We are unilaterally cutting it off."

Secretary Baker showed up in June 1991, June 25th I believe. Our concern at that point was what was happening in the Soviet Union. If "Humpty-Dumpty" broke apart in the USSR we would have all sorts of problems. By comparison, we thought the Yugoslav situation would be a lot easier. So Baker said, "I don't want you guys to break up. Why don't you stick it out and work with one another." Of course, by that time they had already made up their minds, and the next day Slovenia and Croatia declared their independence. And Baker thought that was a big insult.

But it was a misreading of the cards. Partially because of what we did not want to have happen in the Soviet Union. Because we felt that if it happened in Yugoslavia it would be bad enough; but if it happened in the Soviet Union, we would really have a totally unmanageable thing with a situation where particularly you have nuclear weapons involved. So, when these Yugo-states declared their independence we did not recognize them right away. We recognized most of them in February or June of the next year.

So, there was a long hiatus where we as Americans could travel anywhere we wanted to ex-Yugo states on an America passport. And I could go into Slovenia for example, as I was asked, and deal with the government there for informational purposes and other things, but we could not make any commitments or sign anything with them because we did not recognize them.

So, when I was back in the States several times I was allowed to meet with them. They had an Office here of the Representative of Slovenia. I couldn't meet him on official property. We could meet outside at a hotel or a bar or a restaurant. These were people I had known several months prior in other things and I had to try explain what our policy was. Of course they were not particularly charmed with that.

*Q: And our policy was that we could not help them directly?*

ZAK: Because we did not recognize them as independent republics. And at the same time, things started getting from bad to worse. Refugee flows increased. Violence increased. Tensions increased. First in Croatia, you had the "phony war" there. It is a bad word to call it the "phony war". It was actually a real war. And Croatia lost around one third of its territory to Serbs. Because basically you have a country which had, I think you would call it a National Guard in our terms, but a year prior they had agreed to be disarmed. So, basically they had zero weapons.

Then I believe the Yugoslav Army at that point was the third largest standing Army in Europe. And a very heavy arms producer and exporter. Because they produced very sophisticated jets, rockets, electronic items, the whole range. In fact, once I went with our defense attaché. They had like a supermarket in Belgrade. If you were a foreign military person you could go in and basically look at what their supply was and order munitions or whatever you wanted or equipment. And this made what would have been ordinarily an uneconomical arms industry very lucrative. And some of their better clients, I'm sure you know, were the Iranians and Iraqis. Not our friends, but they bought a lot of stuff with cash and this allowed the Yugoslav production to go on.

Anyway, it was a very formidable fighting force. And they had over-run parts of Croatia because the Croatians really had nothing in terms of defense. Bosnia was not an independent country at that point. So they were out of the equation. But you started getting these population shifts and refugees. And the European Bureau didn't know what to do about it. Because basically that was not their mandate. Because under the Seed Legislation as I suggested you have economic restructuring, democratic reform and emergency humanitarian stuff. They had nothing. They had no resources; they had no staff geared up in that area. And they didn't know what to do.

We were doing reporting as to what was going on, on the ground...the science attaché and myself. I spoke reasonable Serbo-Croatian. He was fluent because it was the second time he had been there. So we'd go out in the hinterland and interview refugees and report on what we were seeing and what was going on. And how the local Red Cross and Red

Crescent Societies were proposing to handle it. The AID bureaucracy did not know how to handle it.

*Q: Why was that?*

ZAK: Because the mandate at least in Europe was not in this sort of thing. This was a man-made disaster -- a civil war, an ethnic conflict. It was not their bag at the time. We had a much better response from refugee programs in State. Basically we sent out the appeal -- they basically wanted to give money to international organizations. So they gave it to the International Red Cross and UNHCR. And we are talking about chunks of a million dollars or more. When things started really getting bad, and you had the Bosnian elections in early 1992, we decided that we wanted to show a sign of solidarity with the Bosnians. The Ambassador used his \$25,000.00 authority and he procured in Serbia -- actually it is funny because it is the home town of Milosevic where they make this -- it was a fortified biscuit which had lots of vitamins and minerals in it. And you didn't need terrific storage and basically for \$25,000.00 you could buy a lot of biscuits and get it out.

We didn't want to get involved so we wrote up the purchase order that they would get paid off once they delivered it to the Red Cross warehouse in Bosnia. So we didn't have to worry about the logistics and even though there were blockages at the borders...these guys were businessmen. We were paying them for the stuff when it was delivered. And we made a presentation.

Then OFDA got involved because they started smelling, "Hey, here is some good business for us!" The Mission did not see things in the same light as OFDA saw it. And I used to get crazy calls telling me to do this and do that. And I would say, "Why don't you guys put it in writing? I work for the Ambassador and the Ambassador would certainly like to have your input. But basically I don't determine policy around here. I can make recommendations". And they didn't really like that because you had some gung-ho types in there who said, "Here's something meat we can get involved in."

*Q: What were they trying to get you to do?*

ZAK: They wanted us to get heavily involved.

*Q: In relief operations?*

ZAK: Right.

*Q: And the Ambassador was not agreeable to that?*

ZAK: He said they have the resources in country to manage their own things. They had a strategic stockpile. It was funny...somewhere along the way I had to make a "demarche" for the embassy at the Ministry of Foreign Relations. And then three months later I had to see the same person about their humanitarian needs. So it was three months earlier we were actively seeking foreign country donations for Kurd relief and so I was given the

task of going to the Foreign Ministry and see what they were interested in doing and if they needed logistic support from us to fly things in or not. And at first they said, "Yes".

*Q: To the Kurds?*

ZAK: Yeah. We were doing this in all countries. This is before the war. Things were dicey but we had our instructions so we went and they took things from their strategic reserve and were going to give it to us and they said, "Hell, we'll take our own trucks and drive them up to Northern Iraq". Which they did. It was history turned on its head and three months later I had to go in and talk to them about what their relief needs were. Because basically they had, three or four months later, had exhausted whatever they had at the federal level.

*Q: The federal level was preparing to provide relief to whom?*

ZAK: To people who had come out of...Serbs who were "forced" out of Croatia.

*Q: To their own Serbia. But nobody was helping the other areas?*

ZAK: No. The federal government was interested in Serbs. There were so many strands it was hard to pull together. By that time people started seeing the handwriting on the wall that the thing was starting to fall apart. And basically decided that it is not going to be good for them to be there if things do fall apart. So a lot of people who had considered themselves Yugoslavs and not part of a particular tribal group started going back to their home areas. And trying to re-establish themselves there, seeing the handwriting on the wall so to speak.

And in certain Ministries -- like Foreign Affairs -- people tried to hang on. But if you were not a Serb, they didn't trust you. You were made to feel uncomfortable. They would reassign you to something which was totally way below your duties. The bottom line was...being that you guys broke away from Yugoslavia we can't trust you and you are a fifth column and you really ought move on. They never said that in public. But you didn't judge them by what they said in public because they all lie. You judge by what happens. There is another set of human tragedy there. People who are taught to think in larger societal terms are now forced to think in terms of "where do I fit in terms of which pigeon hole?".

I was in Belgrade then on permanent assignment. We had gotten the OFDA issue resolved without too much problem. I just spoke to the Ambassador and he understood the issue and over-rode the DCM. The OFDA's position was: we want to operate independent of the AID rep. Because we don't do the things which the AID rep does because the program goes one way. And I had a very small office of about two other people with me. And it didn't make any sense to expand it without the program. And they wanted to come in when the war really broke out in earnestness and then the Bosnian thing to have a presence to be reporting: what's going on? And they had all sorts of types who loved going out...they got their adrenaline lit, their adrenaline really came up when

they ran into areas where there was conflict or the smell of gunpowder and things of that nature.

*Q: Did they come in?*

ZAK: Yeah. They came in. I was in Belgrade. The bureaucracy never put it in writing but wanted me to go to Zagreb. Then we don't have this back channel in AID. State has what they call OI's. I think I don't know who's got them but most of them are classified but there is whole slew of OI's being back channeled about where I should be. And the Embassy in Belgrade thought that it would be best for me to be there because I had established myself there and they thought that given logistics any and all relief supplies would have to come in through Belgrade. Well, the Consulate in Zagreb didn't quite think like that. The Ambassador always allowed them...it was unique...direct reporting to Washington without clearing anything through Belgrade. And so they decided to send a small team up to Zagreb.

Meanwhile the Embassy said (in Belgrade), "You can go up and visit Zagreb but you can be based out of Belgrade." Until that thing got resolved, OFDA got itself established. And while I eventually moved up to Zagreb, from my point of view it wasn't worth the fight with them. What they were doing was just so different from what I was doing and I really don't think anyone had ever been involved with this. We were trying to do this in Europe, particularly in a civil war which was very dangerous. So, for me, there was no problem. But the whole bureaucracy in the Europe Bureau and in AID in general didn't know how to handle it very well.

*Q: But the OFDA ended up working out of Zagreb?*

ZAK: Right. I eventually moved up to Zagreb as well because we decided when the war in Bosnia broke out that we were not going to stand for this ethnic cleansing. And we arranged early on for some of the air flights. I remember writing the cables which described the on-the-ground situation in Sarajevo and I think it was April 17, 1992 and there had been a month of siege by the Serbs.

*Q: You went in to Sarajevo?*

ZAK: Yeah. I went in with the Ambassador. We went in through Italy. Over the next several months I used to oscillate between Belgrade and Zagreb. Until we set up an office...until the bureaucracy finally decided and convinced the Embassy in Belgrade which had no Ambassador by that point because we withdrew our Ambassador as a protest. That it merited me moving up there. But to start an office from scratch. To find a house to stay in...it all took a lot of time. So I basically oscillated probably until February 1993 -- back and forth. Several weeks in Belgrade; several weeks up in Zagreb.

*Q: What was your function? What were you trying to do?*

ZAK: I was trying to keep three Embassies happy...three Ambassadors happy. I didn't



have one... I had three Ambassadors I had to keep happy. I had the Ambassador, DCM or chargé actually, in Belgrade happy. Then we had the second client was the chargé because we didn't have an Ambassador yet in Croatia. Then you had a chargé for Bosnia who wasn't located in Bosnia because it was too dangerous -- who was in Vienna. So, I had three client groups. The person from Bosnia is a good friend of mine and he was an easy person to work with. But if you got the reporting cables from Belgrade and Zagreb on the same incident, you'd really wonder whether you were reading about the same event. I wouldn't want to call it clientitis but you had your doubts as to: "Wait a minute -- what's going on here?" I mean, we are the US government and you'd come out diametrically opposite. And everyone wanted your time because we only had one AID rep. So my wife was in Belgrade and I used to have to drive between the two places.

In Belgrade was we basically closed down...at first we were thinking of working something through such groups as the IRC there. But when we decided that we didn't want to pump in any money, IRC basically had to use its funds to fund its Belgrade office.

*Q: International Refugee Committee?*

ZAK: International Rescue Committee. So whereas before we were funding them through a grant now they were funding themselves. And the Embassy wanted to know what was going on and what they were doing because some of their people were getting involved in things which they shouldn't have. When we started doing refugee work it was all coordinated out of the UNHCR office in Belgrade. There you had all sorts of groups: Medecins Sans Frontieres; Dutch relief, the Canadians, the French, UNHCR and International Committee of the Red Cross. Much of the time was spent coordinating with them as to their views of the situation and what their responses were. What their needs were -- what the gaps are and what we could do.

And then you had later FAO, the Children's Fund wanted to do planning so we had to participate and give these people information. Over time they established separate offices -- first satellite offices and then separate offices because of communications difficulties in Croatia.

So for the first period we coordinated virtually all the humanitarian stuff all through Belgrade. We knew what was going on in Zagreb. I knew the players there. And eventually the Belgrade function tapered off when people said, "We really can't punch holes through because they are not being cooperative" and moved. They kept skeletal offices but moved major offices and major assets and built up their staffs into really huge bureaucracies in Croatia.

*Q: You were supposed to be reporting on what was going on in all this?*

ZAK: Right. And it was very harrowing. Because everyone in Bosnia, for example, had my number. From the mayor of Tuzla I would get calls at 2:00 in the morning saying, "Hey, Zak", because that is how he spoke, "Listen." And all I'm hearing on the other end

is gunfire and explosions. I didn't know what to do. And it was very harrowing. We also had to deal with some incidents with the science attaché where there was a big munitions plant in Tuzla and there were some tanks...there was a big railroad marshalling yard and I forget the name of the chemical but if you hit it, if a tank got hit and the thing exploded, Bhopal would look like kid-stuff compared to that. And so we had to try to get information from our own government as to what do you tell those folks to do in case anything happens. Or what do you do with the tank or the liquids or gas that are in the cars then? This is not traditionally something AID does.

*Q: No. Certainly not.*

ZAK: And I was working in an Embassy, in a very political environment, as the only AID person.

In Zagreb when it became clear what was going on, we -- the Bureau -- was not willing to think of developmental things so we considered doing...well, we did a lot of PL-480. Which we basically consigned to the international agencies. But we had to watch it when it came in because you had quite a few million and you didn't want stuff walking away. So you had to insure accountability. And more of a general oversight.

The World Food program did a good job. But one of the things that we decided we were going to do...and the way the Bureau works is basically through contracts. We did a huge thing for trauma, broadly defined. Now in that part of the world, you didn't have the great tradition of non-governmental organizations. So you had a problem...who was going to be your "coopérant"? Who was going to do this work? Because even if you give it to an American or International organization, they need someone on the local scene to actually develop, carry-out, implement, manage, evaluate and develop the second generation projects. So we ran a conference. There were a lot of small groups which were getting started. With all sorts of ideas of how they were going to approach the trauma victims. And a lot of them were very creative. This is something, again, that the Bureau had no experience in. Nor did AID. These small groups lacked the managerial competence that would allow the US government to give a direct grant, because they were too small. They didn't have the management experience, the accountability, the audit standards.

So, we decided to work through US intermediaries such as: International Rescue Committee. We gave them a major grant and they basically assumed the managerial responsibility of developing and working with these organizations.

Now, in addition to some smaller organizations, you had literally what you would call "Mom and Pop" operations. People of good will, despite the horrific slaughter and carnage that was going on, who basically felt for their fellow human beings and were trying to do something. They worked with a lot of micro-groups to try to help people through this very stressful period. Which I felt made a lot of sense given what was going on. There was no "right way" -- you wanted to get relief to as many people who have been traumatized as possible.

Now we also had a program which was somewhat difficult because the Croats didn't really want Bosnian Moslems on their territory. So they gave them the worst of any buildings as you can imagine. Old construction sites and things of that nature to house the refugees. But you had these refugees from a foreign country now in another country. And so we had to work with the Bosnian Embassy there because the Bosnian language and the Croatian language are essentially the same. There may be some different linguistic practices. And shall we say, history would be taught in school a little different. Croats will teach it their way; Bosnians will teach it their way. And so we started several pilot programs working with volunteer Bosnian teachers. Some of them were qualified, some of them were not. To try to get some sort of pedagogy at least at the elementary school level and to teach these refugee kids. Otherwise they were in stark conditions in camps and nothing was happening and basically the longer the war lasted you could lose a whole generation of people who were not educated and then what do you do? People are out of synch with their age group and don't want to go back to school. And it's all a loss.

So we had to work with these foreigners in Croatia in terms as refugees and providing trauma services and we started something with educational services as well.

*Q: Which involves what kind of educational services?*

ZAK: Teaching. But you were working with volunteer teachers. They had no text books, no chalk board, things of that nature. To try to give people the spirit to do things in a depressing refugee camp setting. And we had all sorts of NGO's who were working with trauma, working with this and all small scale because you couldn't run the place. Other donors were involved with this too. But during that period, being that Croatia was considered as a friend of just slightly beyond Serbia, the bureaucracy did not want to open up the program. We would do democratization-which we did.

*Q: Like what?*

ZAK: I'll come back to that in a minute. But we did not want to do things in the economic reform area. One of the programs that we were allowed to have was called CEELI (Central and Eastern European Law Initiative) of the American Bar Association. We brought out a volunteer who got subsistence -- a mid-career lawyer -- in this case we were very fortunate to get someone who was born in Bosnia at the end of World War II but of Croatian ethnicity who came to the States as a displaced person. But spoke perfect Bosnian. So the Croats used to say she was a "Serb" because they pronounce things a little different. And she worked with us. We were interested in promoting human rights laws, and having fora which discussed issues relating to minority groups. Of course the Croats were not interested in any of that. They had probably one of the best minority laws on the books. But it had a little clause in it which said this law will not be implemented until the Serbs return to us every last piece of territory which they have stolen from us.

So you had nationalism on one side saying one thing. And the law saying the thing on the other side. And so basically you had to cope with intransigence. But we had an interest in promoting human rights. Or at least in talking about it in law school, getting laws which

would prevent seizures of peoples' property. The government and people were taking into their own hands Serb property and doing it by hook or crook to make it look legal. We eventually set up what we called "Legal Clinics" because we actually had good luck with several of the law schools and they set up legal clinics. Which would give some of the folks who were affected by these seizures a sense of hopefulness that they could get redress through the legal system.

*Q: These were clinics run through the program?*

ZAK: Right. And the Ambassador and I felt this was something to really be pursued because you had people who because of their ethnicity were basically deprived of jobs, housing, pensions, cars were stolen. And they weren't bad people, they weren't fighting the government. They had just lived there. They happened to grow up on the wrong side of the railroad tracks.

The Croats were more interested in commercial law. They always, unlike the Serbs, had a great goal to be part of Europe. And therefore they felt they had to adopt laws which were on the European model and they wanted our expertise in that area. We also did work through CEELI on criminal law. This was not against minorities but to insure you had enough safeguards to assure adequate protection of, I guess for lack of a better word, civil rights. The big thing: enterprise reform, banking sector reform, financial sector reform, those were off limits to us until just before I left when they started to think about changing the role. In part we wound up like that because the AA used to be with the American Israel Public Affairs Committee. He had been there for a long, long time. And he had gotten to know the President of the country and all that he didn't stand for in terms of democratic values and had no use for him. And so there was a reaction of: I don't want to do anything which supports the regime headed by that person. It was a very personal touch. My view was, this man is in his seventies; he is going to die someday. And you need to start thinking now of how you prepare for the next generation and work with those people.

*Q: Right.*

ZAK: Eventually that is what I think won out. We started not so much through AID, but through the USIA programs to those tackle those issues. And one of the things I had wanted to do and it got going after I left was working at the municipal level. Because that is where most of the action is. And you had a lot of people who are not part of the government organization in control to look at and then you could also work on programs which did inter-ethnic reconciliation: whether it is small business or training at that level.

*Q: Right.*

ZAK: Now we have a full blown program. But that is basically the result of the Dayton Accords and related things where we decided, "Let's go!". They got the Serbs out of their country. They have been a little more cooperative so we said we would be more cooperative.

*Q: Full blown program in Croatia?*

ZAK: The typical seed program in Croatia. Now at that same time, and eventually we had an Embassy established in Sarajevo. We eventually moved down there. But we had to keep Belgrade informed for most of the time. We had to keep Zagreb informed. And I had to keep the Embassy in Bosnia informed. And then we had the force problem in Slovenia. We decided we were going to do a small program. We felt we had to do it because politically it would not be tenable not to. They were by far the wealthiest of the Eastern European areas by a factor of two. If the Czechs are considered to be very wealthy with a \$3,000-\$4,000 per capita GNP, then Slovenia was closer to \$7,000-\$8,000. You could tell it was a markedly different level of sophistication, standard of living. We decided to do a small program. So I had to run up to Slovenia.

At the time we were getting clobbered for the number of missions we had overseas, so we had the brilliant idea that I would cover Croatia and Slovenia and Bosnia from Zagreb. Now in a small program you can do it if you have sane people. But the Ambassador in Slovenia wanted a full time person. Which was unrealistic given the size of the program and where the program was going. He was told it was not going to grow beyond a certain extent because we really didn't have that much of an interest there. We would do a few important things and do them well. USIA did the democratic stuff and they had made a very good democratic transition. So, it had been decided that all programs in Slovenia will be phased out by September of 1997. To get from Zagreb to Ljubljana it is two hours by very comfortable train several times a day. Or you could drive it, depending upon which way the cops were looking, in 90 minutes. So it wasn't anything un-doable.

To me going up there was very refreshing because it got me out of this war mentality and refugees, refugees, refugees. Because there they actually tried to isolate themselves from anything to do with the former Yugoslavia and they were really trying to reform their enterprise, financial and banking system.

*Q: What kind of projects were you recommending?*

ZAK: Well, the Bureau had a lot of large projects. When we got started in Slovenia, after a hiatus of a year and a half, the major regional projects were probably fully funded. Or the project managers were so thinly staffed trying to cover similar programs throughout the region that they were really not willing to undertake new activities. So we had to break that juggernaut. So we basically decided to work with a privatization agency in Slovenia.

They came in with a letter, a request, which turned out to be the Slovene strategy for assistance from AID. They pointed out what their goals and objectives were; why they wanted US assistance; why they wanted assistance predominately from US government regulatory agencies; and to do what things. They also provided us with a matrix of what they had asked other donors to do so you had a very good picture of what they wanted. They knew where they were starting. They knew where they wanted to go and they knew

what they wanted. And much of what they wanted came from picking up people from the chaos of our savings and loan and banking crisis of the 1980's. They had to establish financial discipline in their banking system.

They wanted to establish a banking supervision program. So we provided them with people who had basically worked with the office of the controller of the currency or some private banks to establish this capability within the central bank. They also had the problem with insolvent financial institutions. And if you are going to move to a market economy you have to have solvent financial institutions. That led to a project in bank rehabilitation. We worked in conjunction with the World Bank. The World Bank had probably an 80 million dollar fund project they called EFSAL (Economic and Financial Structural Adjustment Loans). And basically much of the technical assistance that we provided related to the technical assistance that the bank said that they needed.

And the Slovenes were smart. They went to us. They went to the British Know-How Fund which is their technical assistance program in Eastern Europe and the European Unions' Farm Program, which is their technical assistance program. And basically the Slovenes decided who could best provide the technical assistance under the loan and we were asked to pick up things which related to our area. It worked. It was mixed results. When you send in a team of four people and the whole country is two million, sometimes you feel a little overwhelmed. You have the usual case where salaries in the public sector weren't that great and people would get ticked off and often go to the private sector.

We later did something also with setting up business laboratories, if that is the proper word, to show people how to do certain things that they had the skills. It would be like the US equivalent of an IPO. And I forget what that means. Basically they would bring in a financial whiz from a London bank or a German bank and do the restructuring and sell the asset. Now, to do one of those is time consuming and very costly. And you have to pay lots of fees.

We wanted to help them establish the capacity to do that locally. So they could determine how many of these teams they would want, how they would reproduce it because I mean there is no way you could do one thing and it would take six million bucks but that just handles one firm and then the expertise goes when the merchant banker goes. And it doesn't resolve your problem and sweep throughout the whole economy. So, we did that.

I didn't want IESC there because most Slovene firms could pay for the assistance that they wanted and I didn't see my role as saving them money to get them free technical assistance. And I wanted more of the policy stuff and the financial stuff so we used the Financial Services Volunteer Corps (FSVC), I don't know if you have had any experience with them?

*Q: No.*

**ZAK:** It is the same concept as IESC -- volunteers. But you could call on these people more than once. And rather than being retired they are working in the "Fed" or a

commercial bank in New York or whatever. So you would define the problem. It was all short-term and they come in and do the work. And then if you needed follow-up, you could usually arrange for them to come back several months later. And this was very effective in providing high level, targeted technical assistance which they really wanted. And you wouldn't send anyone back unless they did their homework. And they had to tell you that they had done their homework.

And in the Slovene context, I thought this short term assistance was much more valuable than the longer term stuff because the longer term stuff...you became the woodwork people and they really didn't appreciate you as much. We didn't get as much changed, or introduced or accomplished as we did with the short term stuff. So this was a very effective...

*Q: But they had the capacity to make use of this assistance?*

ZAK: Yes. FSVC was able to use both private and public sector organizations. They wanted to establish an organization like the SEC. We got them someone from the SEC -- 5 weeks. They wanted to establish something in a government bond market. Well, we got them someone from the fed who dealt with that issue. We got them investment bankers. And it was targeted. It established what you wanted and it wasn't particularly expensive. The people that they provided were not interested in GO or development tourism. These were top-notch people who were still practitioners and would go back to their home base which still provided additional information, and you'd establish a linkage with the institution. This was very cost effective and, I felt, a very good use of our limited funds.

*Q: So you had projects in Slovenia. You had projects in Bosnia and projects in Croatia?*

ZAK: Right. And each is a different mental set. Because going up to Slovenia you are going up to a relatively developed country. No talk of war; talking of development. And then you go back to Zagreb and all you'd get is talk about refugees, refugees, war -- very dismal and very gruesome, and it was difficult at first to make the mental transition.

*Q: Was Bosnia the same thing?*

ZAK: Well, Bosnia I didn't go into. Bosnia...you were dealing with Bosnian refugees living in Croatia.

*Q: I see. So you didn't have any activities in Bosnia.*

ZAK: No. It was only when we set up the mission there. We coordinated with OFDA. They sent people in subject to all sorts of concurrences depending upon what was happening on the ground there. To do reconnaissance of the situation. Our convoy is getting through. How much?

*Q: But you weren't directly involved in that?*

ZAK: No. I would have been over-extended. It's not my area of expertise. And I'm glad I wasn't...they would have had the wrong person for it. One is emergency war-time thing and you have to have but it is a very different mindset. But we worked together.

*Q: Good. Well, that was quite an experience then, covering all that territory.*

ZAK: I think we are going to write a book on this once some of my other friends retire. Can't do it yet.

*Q: Any overview at all that you want to comment on?*

ZAK: It was really a fascinating experience. In many, many ways. And a challenge...every day was a challenge. You worked sixteen to eighteen hour days. But it was for a good cause and excellent colleagues to work with -- both in the Embassy and in the non-governmental sector.

*Q: Of course, your role was in response to a political judgment by the US government that they needed to have some evidence of our presence in the system?*

ZAK: No. People wanted us, the government, to do things to help these poor people. So we were responding in part to political pressure that was really humanitarian pressure that we really need to do something. And then you had all sorts of institutions in the States who started coming over without rhyme or reason. Everyone wants to get in or do something good. But there is no organized way to do it. We didn't say, "Anyone, you can't do it." By doing certain things we were able to provide an organizational framework in which people were able to come in and provide their own methodologies and because there was no "one way".

No one had ever experienced this before. How do you work? It wasn't ours. We participated in it though. We had two female Foreign Service officers who sat in the Embassy to interview...

*Q: In Zagreb?*

ZAK: In Zagreb to interview women who had been raped or traumatized by the Serbs. Well, it didn't take a week before these two ladies were traumatized. And they had to give up because they had no training in dealing with that sort of thing. They were trained in interviewing people. So it was a very stressful period. The leadership in the Belgrade Embassy weren't prepared for this sort of thing whereas in Zagreb I think we had a generational gap. There was a younger crew more attuned to things that was really fun to work with because everyone pulled together in all sections in trying to get the job done. And we realized that the job was bigger than any one of us or even the whole mission as a whole.

You can't imagine how many visits we had from Congressional, private groups, and everyone wanted to have their own thing. So, in addition to being understaffed and in



addition to trying to save people's lives, we had to do a lot of hand holding with people around on very short notices and with schedule changes. I met a lot of people...Hill staffers and members of Congress and private groups which I never would have and it was a privilege to both meet them and work with them. I still have contacts with these people.

*Q: Good. Well, and that was the last assignment, was it?*

ZAK: And then when the government closed the door, I closed the door.

*Q: I see.*

ZAK: I decided this was it.

### **Concluding observations**

*Q: In wrapping up an interesting career and a lot of variety of experiences in different country settings, what do you think you have learned from this about what works, what doesn't work and both broadly and narrowly that you think might be useful for people to understand your experience?*

ZAK: Oh, I'm not sure I'm the person necessarily to ask. The only thing I did is survive for the time period.

*Q: I'm talking generally now. Not just about Bosnia. I'm talking about the whole career.*

ZAK: I came in at a time when we were at the height of the Cold War. And what we were doing was governed by that predominately. And when I left, we were in a post-Cold War situation trying to help newly emerging -- at least in part of the world -- newly emerging countries to find themselves and become Western-style democracies. Not necessarily on our model but Western representative countries.

*Q: Was there any common threads of your approach regardless of the circumstances?*

ZAK: I don't think there is any magic bullet or magic solution that is going to work under all circumstances. It is fair to say that what works in Latin America, given its stage of development, may not work in Africa, which is at an earlier stage. And the same thing in dealing with Eastern Europe. It may be backward in certain areas but it is quite sophisticated and "au courant" in others areas.

It is hard to talk about specific activities. But I will say that learning to listen to people and finding out what they wanted was important because usually if it is something they wanted that had a better chance of success. And learning to listen is a skill. Learning to become more patient. When I was younger I had a bigger mouth than I have now and I was very impetuous. And I've learned to calm down a bit and to listen more. And I think that has paid off both personally and professionally and in terms of what one was able to

project. Establishing good working relationships with other members of the country team and international organizations is something I learned which has carried me forward. And it proved very successful learning those skills. In my last assignment which was basically very harrowing and a nightmare because you had to do everything...you had to jump to everyone else's tune, in a very short time-frame.

The bureaucracy was very important and was a skill which basically enabled me to push things through, which I may not have known how to do earlier on. So it is a lot of management skills, technical skills, language skills, interpersonal skills -- which I probably think are the most important. Plus keeping "au courant" as to what is going on in the world around you. Whether you want to call it through academic or after-hours reading. The networking concept. The program content in each country was so different. Responding to different political needs of what we were doing.

*Q: Were there any common features of those different programs?*

ZAK: Well each just reflected a different policy initiative of what we were going on. Our policy would evolve the way we looked at the Cold War and the necessity to do things in each African country. The way the relationship that we wanted to change with the Latins to move toward more partnership, well you did after several years. And then to keep everyone's interest we moved to a new thread. Whether the governments would do it.

The governments would be the last resort and we really wanted private groups to get involved more in the development process. These things would ebb and flow. And they each had probably their proper time in the spotlight. And maybe there is an evolutionary thing that we move from one initiative to another. Which is fine. You have to learn to roll with the punches. And not to become ideological saying, "We don't like this because this is the way we have been doing this traditionally." So you have to maintain an open and flexible mind.

But you also have to have the courage of your conviction. You have two kinds of people: those who never say anything and the bureaucracy tells them what to do. And you can have your own ideas and try to influence the bureaucracy. And I think I'd like to be in the latter group rather than the former group. It has been a fascinating trip.

*Q: Do you feel you were able to influence the bureaucracy? Did AID give you latitude for initiative?*

ZAK: I think the whole program in Slovenia would fall into that category. Because we weren't blocked politically. We were blocked politically in Croatia. But I understood why. And you test the waters every once in a while to see what degrees of freedom you'd have and try to work with other parts of the Embassy team who felt the same way to try to push this.

*Q: Prior to Yugoslavia, would you have latitude for your initiatives?*

ZAK: Yeah, I think in Santa Domingo I had excellent latitude. They gave me a portfolio and said, "Run with it and we will judge by the results". In Panama, much the same way. I was given a mandate to go down and shape up the education sector and, again, it was results oriented. Building the teams to do that and get things done was of course a common thread. You don't realize what you've learned until you go for the second time. It is what you've absorbed and do naturally now, but you didn't have those skills or know what questions to ask or what things to expect. Or what time frame to expect to get things done. You do it the second time around although you don't necessarily articulate it. At least this is the way I've found it.

And in Ghana, I had a wide degree of latitude partially because of personnel problems in the Mission. I don't want to discuss that because people are still alive. And in Burkina I had the same sort of thing. One of the things I believe in using is the foreign national staff as if they were American hires -- if they have the capabilities. I learned in Panama that by doing that you were able to get a much better product and also have happier employees when they feel they have a keen sense of ownership in the system. And when we tried in Burkina it really blossomed. And so it made my life easier. It made their job more rewarding and now I have friends for life of people who respect you for having given them the opportunity. And not viewing them as "us" Americans versus "you" host country nationals. If I had to summarize it, it would be in the human relations/human skills area where I learned the most and was able to carry the applications most. Of course, having the technical skills presumably didn't hurt. But I think it is the melding of the human and the technical skills and managerial skills which helped.

*Q: And you found that AID as an organization is generally supportive of this sort of thing and gave you room to maneuver or not?*

ZAK: Yes and no. Like with Africa RA I felt those guys insisted that every Mission had to have the same cookie cutters. That was basically to me rigid, formalistic, unrealistic and unrepresentative. The kinds of things we did in the Dominican Republic in trying to move to things that the team concept in Panama which I later carried over to Burkina, I was able to find in most cases islands of people who had the same thing: who wanted to get out of the mold of: let's not just do things the way we always used to do because that is the way it says to do them in the handbook. Because the handbook reflects the past. It doesn't reflect where you are going.

So basically you had to find people who were creative in their thinking and dynamic. And usually there were those around. Sometimes they were in the ascendance; sometimes they weren't. Because the Agency, as you know, used to go ebb and tide. This year we are going towards centralization. Next year we're going towards decentralization...then we're decentralized too much and the pendulum moves back the other way.

Having been with AID for thirty years, you saw the pendulum move several ways in each direction. And so basically you had to identify who were the change agents and who was smart enough and to try to get their ear so that basically you 1) maintained your sanity and 2) you would have someone that you could talk to. Instead of someone saying, "No,

we can't do this or we don't want to take any risks". So, I found that over time these people still exist and it is maybe these people who are the agents for change and keeping the Agency on its toes and moving ahead in addition to some of the political requirements that one has. One expects that each administration is going to have its own nostrums for development or for saving the world.

But in a real sense, I think it is having these people around and being able to work with them and learn from them. And in later years, I was glad that people think that I was able to give them insights and help them. So, it was a good symbiotic relationship.

*Q: Do you think that over that thirty years that there was a core of development practices or ideas that AID maintained or was it always a new "fad" every other year and change, change, change?*

ZAK: As the French would say, "Plus ca changé, plus ca meme chose". After awhile you sort of got accustomed to that. So, basically, as they used to call the people in the Latin America Development Resources Bureau, call them the "project development whores" which meant that it didn't matter "what". These guys would just change the verbiage and the packaging and do what they wanted to get done. So basically it is how to preserve what you thought needed to get done and package it so that it would pass muster.

*Q: Well, looking more broadly, back over the thirty years and the role of international development, do you think foreign assistance has made any difference in the world?*

ZAK: Well, I can't measure it. But I know that some of the policy actions that I was involved in did have an impact. In terms of changing the way we looked at things. Delivering things, making people's lives better, improving people's health, hope for the future, yes. Not all projects but some projects are not designed to handle these strategic and global things; they are a lot more nuts and bolts.

But I can think of even major projects and activities such as the Small Pox/measles eradication thing. This was a very major impact on people in Africa.

Changing the way we were going to work with the Dominican government was a major thing. The way we approached it; the way we implemented it; the way we got them to change their thinking about their capabilities to do things. I can cite other examples as well. So I think there were these big events and there were a lot of small events which obviously had some impact. Whether they lasted or not I'm not sure, but it had, at least on a micro-level, some purpose.

*Q: It may have served some purpose at the time.*

ZAK: Right. And maybe it wasn't designed to have...you were out to train some people to do X,Y and Z. You were out to have a contraceptive drop. Well, you did it and you did it in a reasonably effective and efficient manner but it was no institutional linkage later on. Some of the institutions which we helped foster and build still survive. Maybe not as

we would have liked it. But, so what? At least they are there, they are doing good things and one still hears about them. One can remember, "Hey, I had something to do with that in a very small role, years ago". And so one is proud of it.

And then there were failures. And hey, in this business some things worked, some things don't work. Like the pyrolysis converter, I always said close the thing down. Because it really was dangerous. And if you had an explosion you'd be sued all over the place. I think the initiative to get non-governmental organizations more heavily into the process was a very good thing and I'm glad to see that community has grown in terms of its sophistication and the kinds of projects. You know initially what were they doing? Basically relief stuff. And now a lot of them are very sophisticated development organizations in and of their own right. With their own resource base. They don't necessarily depend 100% on US government financing. And to see that grow in an exponential way has been very, very heartening.

I didn't have anything to do with it. Except that I worked in countries with them where we pushed activities beyond the pale. But overall, the whole tableau within the Agency, I think has been a very positive -- in my view -- a very positive experience.

*Q: Well, let's leave it there. You are certainly free to add when we get the transcript. But this has been a very interesting interview and process.*

*End of interview*